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A F R I C A N S T U D I E S I N S T I T U T E

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Title: **Het Volk and the Gold Mines: The Debate on Labour Policy 1905-1910.**

by: A Jeeves

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HET VOLK AND THE GOLD MINES

The Debate on Labour Policy 1905-1910

During the political upheavals which accompanied the shift from "Milnerism" to responsible Government in the Transvaal, the still troubled Johannesburg mining industry confronted serious new problems. In Britain, the Election of 1906 confirmed in power a hostile Liberal Party, avowedly suspicious of Randlords and determined to deny them further supplies of Chinese labour. This government planned major political initiatives in South Africa which seemed equally to jeopardize mining interests. Leaders of the Chamber of Mines were already involved in open political warfare aimed to prevent an anti-Randlord local coalition, perhaps in alliance with the Liberals, from taking power in the Colony. During the difficult years of postwar recovery after 1902, the industry had received powerful support from the Milner régime in the Transvaal and from the British Unionists. Now in 1906 and 1907, the threatened withdrawal of state support, both in Britain and South Africa, was menacing in the extreme.

Political turbulence compounded difficult economic circumstances. In these years, the gold mines suffered from chonic shortages of development capital.[1] The industry was also threatened by a serious cost squeeze, and it faced no fewer than four labour crises. In addition to the Chinese labour issue, there was, secondly, the threatened collapse of the industry's cooperative recruiting organization, the Witwatersrand Native Labour Association (WNLA). Thirdly, an eruption of white worker militancy in the first industry-wide strike disrupted production for several weeks in mid-1907. Underlying the migrant labour

problem and the white miners' strike was the fourth issue, the basic question of the racial division of labour on the Rand which defined the scope of employment open to the competing white and black labour forces. Although already entrenched in legislation and fortified by customary operating procedure on the mines, the Colour Bar was showing inherent signs of instability. The black mine workers' improving level of skill and the mine owners' desire to make more productive use of their cheap labour posed a dual threat to the position of the white miners. Any of these problems by itself would have been serious; together they called into question the future profitability of the gold mines.

From the industry's standpoint, the conjunction of political uncertainty and labour trouble was particularly unfortunate because several of the larger mining groups were on the eve of a major period of reorganisation designed to facilitate renewed expansion. Still not fully recovered from the effects of the Anglo-Boer War, they now aimed to make larger output and various economies of scale compensate for declining gold yields and falling profit ratios:

> Increased scale of working, wherever practicable must be our motto. Economy, efficiency and the advantage to the country of a gradual decrease in working costs are the salient points to bring home to the people.[2]

This was the view of Lionel Phillips, a senior partner in the dominant mining house, Wernher, Beit and Company. Phillips and many others in the industry were counting partly on technological innovation to bring the mines out of their slump. In 1905 and 1906 tube mills were being widely introduced. This much improved method of crushing ore promised to expand output and to raise gold recovery levels.[3] There was the pros-

pect, too, of large labour savings through the development of the small, hand-held machine drills. Holes for blasting could then be drilled more rapidly with less labour and in narrower stopes so that there would be less waste rock to put through the mills. Though the perfection of this tool was to be the work of many years, the more cumbersome and inefficient machine drill became extensively used on the mines at this time. Financial reconstruction and the development of much expanded units of production would compliment technology, restore profit ratios and be the means to tempt the wary European investor back to Rand mining stocks. None of this could work, however, without political stability and a solution to the industry's labour problems. Speaking at the annual meeting of the Gold Fields group in London late in 1907, the Chairman, Lord Harris, stressed, like many of his colleagues, the importance of sympathetic government:

> He laid emphasis on the enormous amount of capital and work entailed in connection with the deep levels. Consequently investors needed special sympathy and encouragement /from the state/ otherwise capital would be frightened away with results disastrous to South Africa.[4]

Serious concern about costs lay behind the push toward reconstruction. In 1906, for example, the Wernher, Beit group's Johannesburg house reported on the prospects of three deep level mines which meemed to be symptomatic. At the Geldenhuis Deep, the Rose Deep, and the Durban Deep there had been a decline in the average grade of ore extracted of 2s 5d, 2s 6.75d and 4s per ton respectively. At the same time, costs per ton had increased; the figures were 3s 6.5d, 2s 9.75d and 1s 8d. Part of the added cost was attributed to the introduction of Chinese labour, and as the Chinese became more efficient, some improvement was expected. But Johannesburg argued

that a long-term solution required bringing these and other mines together in enlarged production units.[5]

A more broadly based study prepared by a smaller mining house, Consolidated Mines Selection, Limited, derived much the same conclusion from a different mix of evidence. Comparing data of 1906 with those of 1902 when production was only just resuming after the war, this study showed sharp increases in production, to 13,302,880 tons milled (from 3,439,927) and working profits, to £5,530,000 (from £2,150,000 in 1902); working costs were down an encouraging 3s per ton. The worm in all these apparently favourable statistics was that profits on a tonnage basis had fallen sharply; working profits were off 4s per ton and net profits 4s 6d.[6] Projecting these figures produced an ominous picture and reinforced the view that remedial action was urgently required.

As a result of studies such as these, a number of very large mining concerns were then in prospect. Some were the product of amalgamation plans; others from anticipated expansion into new mining areas. On the central Rand, south of the City, Wernher, Beit/Eckstein led with the formation of Crown Mines, Ltd., perhaps the single most important of the new amalgamations. It was complete by 1909. Further east, George Farrar and his associates in the Anglo-French group (Wernher, Beit/Eckstein had a large interest) were negotiating to enlarge substantially the East Rand Proprietary Mines (ERPM). On the other side of Johannesburg at Randfontein near Krugersdorp, J.B. Robinson had plans to expand some existing mines and to resurrect several hitherto moribund companies which he had floated in earlier, more optimistic days. Finally, on the

far east Rand, exploration was underway and plans well advanced to open some giant, new mining concerns which would dwarf most of the original mines in the older areas.[7] The successful implementation of these and other ambitious projects depended, as the industry viewed the situation, on establishing political stability, reassuring the investors and solving recurring labour difficulties:

> In the Wernher, Beit -- Eckstein group of mines we are merely waiting for the return of confidence -- which means the ability to raise fresh capital or the justification for investing capital in hand -- in order to start a campaign of expansion on a large scale.[8]

These were obviously interrelated, but in 1906 and 1907 the immediate problem was political. Without a political solution favourable to the industry, the other difficulties could not be effectively addressed.

This blunt message was at the core of Sir Julius Wernher's speech to the shareholders at the Annual Meeting of the Central Mining and Investment Corporation in mid-1906.[9] One of the industry's shrewdest and most respected financiers, Wernher had established Central Mining only one year before, partly in order to take advantage of an expected resurgence of interest in Rand mining stocks. That boom had never materialized and now Central Mining's balance sheet was "not a thing to be proud of". Central Mining was an investment company only; it operated no mines and existed only to channel investment funds to established and prospective mining concerns. At the moment, Sir Julius was not a buyer. Worn out by overwork and depressed by the recent death of his partner, Alfred Beit (they had pioneered with Rhodes at Kimberley in the 70's), Wernher bleakly canvassed the prospects of reducing or even selling out the interests

of the partnerships in South Africa. This was impossible in 1906 unless he had been willing, as he was not, to sell up at firesale prices. Hence he waited, but he was not sanguine. To the shareholders, he explained that "...although prices have lately been exceedingly tempting, we have hesitated, in consideration of the political outlook to put more money into South Africa until we could see the position more clearly". Wernher complained of recurrent investor panic induced by apparently irresolvable political crisis and added that the gold mines had become "the sport" of the parties. Thousands had been ruined, and there was little prospect of better in the future.

Pessimism prevailed at mid-year; by December, Wernher and most of his associates were gloomier still. Senior executives in the Chamber of Mines were correctly predicting an election victory in the Transvaal of the openly hostile Het-Volk Nationalist coalition led by Louis Botha and J.C. Smuts for Het Volk and Richard Solomon and H.C. Hull for the English-speaking Nationalists. Much of the cement for this unlikely coalition of former republican generals, Cape lawyers and professionals, Johannesburg politicos and renegade mining men came from a shared hostility to the Chamber of Mines. Their victory necessarily meant the eclipse of the Chamber-backed Progressive Association and was bad enough in itself. Worse seemed likely to follow since the Het Volk people were already known to be in close touch with the British Liberals, many of whom were avowed enemies of the mining industry on Chinese labour and other issues.[10] There was evidence, too, that members of the coalition were flirting with leaders of the now militant forces of white labour. Most unpleasantly of all, these same men had managed to detach the eccentric Randlord, J.B.

Robinson from the Chamber of Mines. Robinson and his henchmen, J.W.S. Langerman, openly backed Het Volk. In Britain, Robinson egged on the Liberals in their opposition to Chinese labour getting in return their support for his campaign to smash the Chamber-sponsored recruiting organization, WNLA (he was convinced, as usual that he could do better on his own). To the mining companies grouped around Wernher, Beit/ Eckstein and loosely allied in the Chamber of Mines, little but trouble could be expected from the probable political victory of these hostile interests. How would an industry still not recovered from wartime disruption and struggling to attract overseas capital fare at the hands of these seemingly hostile governments in Britain and South Africa? In the worst case, how could it withstand the simultaneous loss of its Chinese labour, the threat to the main source of black labour in Mozambique and a militant campaign by white labour, backed by the new Transvaal government?

These alarming prospects exercised the mining leaders in the year before the 1907 election. Not surprisingly Chamber politicians led by FitzPatrick and George Farrar who had been closely indentified with the Reconstruction régime and who remained stalwarts of the Progressive Party were the most vocal of the radical pessimists. They gave widespread publicity to the disastrous effects of withdrawing Chinese labour should Het Volk win the election. They estimated that over six thousand Europeans on the mines would loose their jobs; gold output would decline by forty per cent; and local mining expenditure worth six-and-a-half million sterling a year would be lost to the City.[11] This was for public consumption, but private correspondence reveals that concern within the industry was genuine and serious:

> To sum up the political and industrial situation, I may tell you in the nearest simile I can find, that Fitz and I both feel held fast in the jaws of a vice, and in a state of most horrible uncertainty as to which way the screw is going to be turned, a sensation which I know is fully shared by all of you at home.[12]

In these circumstances, there could be no question of additional investment; capital expenditure, Phillips noted, "must of course be curtailed in every possible way...." He was only willing to sanction projects essential to the group. "which come what may regarding /Chinese/ labour, will continue working".[13] Reporting on an interview with the High Commissioner, Lord Selborne, in January, Phillips noted that he had issued a stern warning:

> ...capitalists will not put further money into this country so long as they run the risk of hostility and consequent loss through the action of the legislature.[14]

The Het Volk election victory in February, though expected, increased despondency. FitzPatrick's colleague, Sam Evans, wrote grimly to London:

> It is melancholy to reflect that after all our sacrifices the industry should come again under the government of the Boers with a severer burden than it had before the war.... The papers speak of the Progressive members of the New Assembly as likely to form a compact and strong opposition. Can the representative of the mining industry afford to be strong when the new government has the industry completely at its mercy as regards the labour question and a host of other questions? The Boers can do us enormous harm by simply remaining passive and letting the existing laws take their course.[15]

The absurd note of self-pity should not obscure the element of real concern. These mine owners were alarmed not only by the fear that the new government would act against them in a number of ways, but also by its lack of experience in administration. The South African policies of the

British Liberals on labour and the Transvaal Constitution had been formulated, they believed, in ignorance of local conditions. Few doubted that Het Volk would be equally inept. That Botha's cabinet included a number of able men was conceded, but the best of them were written off as "theorists" rather than as practical "men of affairs". Thus even if the industry was not actually plundered, it might still be wrecked through accident and misgovernment. There was the uneasy feeling, too, that Botha and his friends might begin to use their new power to pay off some old scores. Because several of the leading Randlords had committed themselves openly against Het Volk and the Nationalists, their fears of retaliation were intensified. None were more vulnerable than the partners of Wernher, Beit/Eckstein, and Phillips wrote to London just after the election only half in jest that "...you may have yet to consider the advisability of forming a Dutch Company to take over our interests in this country!" He soon recanted of these extreme views, but the statement suggests the climate of incipient panic in which these men were then working.[16] Despite the open hostility which characterized Industry-Het Volk relations in 1906-7, negotiations had been underway from an early stage designed to find a basis of accommodation.

Shortly after arriving in London for talks with the new Liberal government in January, 1906, J.C. Smuts and other Boer leaders held important but little known meetings with Sir Julius Wernher and Alfred Beit, tha two most influential leaders of the mining industry. Their firm dominated the industry; and through their financial connections in the City of London and on the continent they could influence decisively the flow of capital to the Rand. Although the initiative for the meetings with the Boer leaders came from Smuts, the correspondence of Wernher shows that the desire for accommodation was strong on both sides:

> Whatever the strictly legal position /with respect to Chinese repatriation/ Govt. has always the whip hand as there are so many ways of enforcing their will.... Whilst all the electioneering is going on /in Britain/, one cannot get hold of influential people of whom we know many and with whom one can have an exchange of views....[17]

The interview with Smuts convinced the London partners that an accommodation was possible.[18] Though they did not trust Smuts, they did not disregard his insistence that a basis for agreement could be worked out. The same line was put forward by Dr.F.V. Engelenburg, the editor of De Volkstem, when he saw Wernher late in February:

> The conversation ran pretty well on the line with Smuts and he expressed as keen an anxiety to come to an understanding with the mine-owners, hinting very strongly what support they could give on labour and Chinese, but he made it quite clear that it was a question of bargaining and, if possible, before the elections.[19]

Evidently Smuts and Engelenburg were attempting to bargain the promise of concessions on mining industry matters for political support (or at least neutrality) in the forthcoming constitutional discussions which were to prepare the way for full responsible government in the Transvaal. Wernher declined any such bargain, saying that "...we would always try to get a British majority, as the past history did not warrant us to expect anything from a Boer majority"[20], but he must have been heartened by the evidence of their flexibility on the economic issues. As a result of these conversations, the London partners began to urge their Johannesburg colleagues to detach themselves from too open identification with the policies of the previous (Milner) régime and to suggest that open criticism of Het Volk and the Liberals in Britain should now be muted.

Wernher particularly expressed the hope that compromises with the ascendant political forces would be possible. With the more vehement of the Johannesburg people, particularly FitzPatrick who had so closely indentified with Milner and who was one of the most prominent Progressive politicians, these cautionary letters had little effect.[21] Knowing FitzPatrick's views, Wernher was measurably less forthright in urging caution on him than he was with the senior Johannesburg partner, Lionel Phillips.[22] Even Phillips took considerable persuading. Commenting on the conversations with Smuts, Phillips wrote in March, 1906:

> .....it is quite evident that he /Smuts/ adopted the old tactic of the Boers: 'Why do you oppose us? Why don't you throw your lot in with us and we will look after your material interests? Why do you meddle in politics and such things when you only want to make money?' There might be a good deal under existing conditions to justify all persons who are responsible for, or interested in the mining industry to take Smuts' advice, if he could give you a guarantee as to the way you would be treated afterwards.[23]

Clearly a good deal of suspicion and distrust existed on both sides. For his part, Smuts had been stronger in giving vague assurances and making soothing noises than in providing definite pledges. On the capitalists' side, so long as Wernher and Phillips could reasonably hope for a Progressive victory, they would not do more than listen to what the Het Volk people had to say. To go further would be to offend gratuitously the politicians among them, especially FitzPatrick and Farrar, with no guarantee of good treatment from Het Volk if it did win the election.[24] Any such crude attempt to change sides at the last moment would not have been believed in any case.

Most industry leaders probably shared Phillips' general pessimism that the Het Volk victory was ominous for the future. The situation seemed especially bleak not only because of the commitment of the new government to Chinese repatriation but also because a definite alliance seemed to be emerging between the leaders of Het Volk and certain prominent labour men.

For some years the renegade mine manager turned labour theorist, F.H.P. Creswell, had been promoting his experiments designed to prove that the mines could be worked almost exclusively with white labour, both skilled and unskilled. Even before the election, the Het Volk leadership had begun to show interest in his ideas. Smuts in particular was watching Creswell's experiments closely.[25] The white labour scheme fitted nicely with Het Volk's policy on Chinese labour. Their policy was "repatriation and replacement", and according to Creswell, the Chinese could readily be replaced by unskilled whites. The Johannesburg Star, indeed, thought the Chinese factor to be Creswell's overriding motive.[26]

In evaluating Creswell's theories, the new cabinet was probably also influenced by the looming menace of white unemployment which already threatened the stability of the Afrikaner rural community. As early as September, 1905, Het Volk had approached the Chamber of Mines for assistance in placing one thousand "poor burghers" on the mines at five shillings per day. Once in office, Botha wrote again to the Chamber stressing the seriousness of the situation and urging cooperation.[27] Of course white unemployment was also a serious problem in Johannesburg, and the government was receiving deputations demanding action.[28] A modest scheme of state financed relief works was developed at this time, and a number of indigent Australian families were "repatriated" by arrangement with the Australian government.[29] Mounting indigency provides the context explaining official interest in a scheme suggesting the economic viability of replacing blacks on the mine with unskilled whites.

Though Creswell was later to lead the Labour Party in South Africa, his white labour theories were anything but popular with many rank and file mine workers. Smuts who was personally drawn to Creswell and favoured an all white Rand saw this clearly. Writing to J.X.Merriman, he commented: "...you are wrong in thinking that the advocacy of this policy is likely to be very popular. The white miners on the Rand are somewhat of a pampered class and seem afraid that unskilled white labour will mean a reduction in white wages all round".[30] Furthermore, Creswell was arguing that large numbers of whites would have to reconcile themselves to "Kaffir Work", the most menial pick and shovel tasks underground.[31] They would have to work harder also to justify the higher wage they would get compared to the blacks whom they replaced. A de-frocked mine manager turned politician, Creswell drew his inspiration not so much from the trade union movement on the Rand as from a tradition of racialist Uitlander populism which had emerged in Johannesburg in the early days of the mining industry. This urban radicalism is an important but little studied phenomenon in the Transvaal British community. Even before the Anglo-Boer War, it offered a point of contact between Afrikaner leaders and many Uitlanders who had come to share resentment of the mining industry and the big interests which dominated it. The pro-Kruger paper, the Standard and Diggers News, was expressing in the 1890's some of the same views which Creswell was later to develop in more systematic form.[32] At bottom their simple idea was to run the mines in the interest of the white community at large rather than of a few Randlords. In the cry of "the people versus the interests", there was potential, both before and after the War, for a cross-cultural Anglo-Afrikaner political alliance, linking city and countryside and bringing together the dispossessed and threatened classes in both language groups.

State power was the instrument by which this could be achieved. In developing this dream of an all-white Rand, Creswell was thinking far beyond the mundane matter of white employment on the mines. Important though that was, it was merely instrumental to his pursuit of a larger objective. He wanted to make the Transvaal a "white man's country" in which the independent European of small means would be protected from the threat of black competition, simultaneously freed from capitalist domination and given an honoured and respected place. In Creswell's ideas lurked much of the manager/clerk's resentment of the big interests which so visibly dominated Johannesburg's mercantile and industrial scene. 'Hoggenheimer' was a spectre for men of this class just as much -- or more -- as it was for sections of the Afrikaner élite.[33]

Creswell's radical notions were obviously revolutionary in their implications for the Transvaal gold mines. The corollary to his demand for the employment of whites throughout the range of mine labour occupations was his attack on the whole system of black labour migrancy. Basic to Creswell's thinking was the view that labour migrancy constituted unfair competition for whites, that it was a highly artificial system of labour mobilization and one which could not be sustained without the support of the state. Only the legislative and administrative support of the government, he insisted, made the employment of migrant labour on such a vast scale feasible and attractive for capitalists:

> ...We have seen that the attractiveness of coloured labour to the mines is due to special legislation and special administrative aid and support: that it is to that extent an artificial thing, and not a natural attribute of the labour itself.[34]

This Creswell-inspired Mining Industry Commission Report went on to state that migrant labour "could neither be obtained nor maintained without state help".[35] Creswell and his colleagues on the Commission pointed to the South African-wide system of poll and hut taxes which was designed to force Africans off the land and into wage employment, to the pass laws which controlled and limited the movement of labour, and to the Master and Servant Acts which provided criminal (rather than merely civil) penalties for the breach of labour contracts. Only through these devices, they argued, was it possible to keep a servile cheap labour force in thrall to the mine owners. Unlike today's academic radicals who have picked up many of his arguments and deployed them in the service of other causes,[36] Creswell was not all concerned about the blacks. For the time being, he was willing to tolerate the continued presence of local Africans on the mines but thought a quota should be established for foreign blacks. The quota should be reduced annually with a view to excluding the mining companies altogether from their principal sources of supply. Through the quota, and more importantly by tearing down the artificial administrative and legal structures which, he said, alone sustained the migrancy system, he hoped that the "natural superiority" of the white worker would assert itself and large numbers of them would finally come into the employment which was legitimately theirs.[37] Creswell, stressed, of course, that his objective was not merely to increase the number of whites on the mines. That would, in the words of the Mining Industry Commission Report, be "comparatively useless".[38] The essential objective was to revolutionize the labour system on the mines and by this means to alter the ratio of white to black labour decisively in favour of the former. To achieve this, the Colour Bar, as entrenched in the Labour Importation Ordinance, could at best be a

partial measure. The main point was to strike at migrancy by denying legislative measures which sustained it. Deprived of the support of the state, the migrant labour system would, Creswell and his colleagues were convinced, wither and die. This was the hope of the white community for which the Creswellites argued with missionary zeal:

The leaders of Het Volk had flirted with the Creswell programme during 1906; they briefly drew closer to him in 1907 as the appointment of the Mining Industry Commission showed. Yet support for his theories was never more than partial:

> The question /of white unskilled labour on the mines/ is no doubt very difficult, as there is a sound substratum of fact in the contention of the Chamber of Mines. The question has occurred to me whether, as an experiment, the Government should not itself work a mine direct with white labour, just as it runs experimental farms. On such a mine machinery experiments could also be instituted and the Government thus acquire independent information. Perhaps such a mine may throw new light on the whole question of white unskilled labour.[39]

As Smuts noted, the government was not equipped to deal with the question in 1907 because it lacked independent data. Instead of proceeding at once to set up a state mine to test the white labour theory, Smuts and his colleagues decided to let the two sides fight it out in public hearings before the Mining Industry Commission during the remainder of 1907. After evaluating the contending arguments and measuring the strength of the opposed political alignments, the government had come down by 1908 decisively against Creswell and his majority report of the Commission was shelved with little ceremony. By mid-1908, the authorities were able to point to an improved (i.e. lower) ratio of white to black on the mines. When introducing the Mining Department estimates for 1908-9, the Minister, Jacob de Villiers (he was also Attorney- General), stated that the government was going to proceed pragmatically. Its objective would be to employ as many

whites as possible on the mines, but the whole pattern of mine employment could not be transformed "in a day or two or a year or two". Creswell's central contention was thus rejected. Indeed de Villiers did not even mention the Mining Industry Commission in his speech, something FitzPatrick was unkind enough to draw attention to.[40]

The question of the proper place of white employment on the mines was not merely a theoretical issue during the first year of the new government. It came to the fore in the Strike of 1907, the first sustained evidence of labour militancy by the Miners Union. The Strike began in May in response to industry efforts to reorganize underground operations in pursuit of greater efficiency. The management at Knights Deep, a Gold Fields property, had raised the number of machine drills which a white ganger was expected to supervise from two to three. This seemed to threaten the ratio of white to black, and wage reductions were also involved. By late May workers had struck all of the mines along the central Rand except those of the J.B. Robinson group. A General Strike was declared on May 22 and in response to the threat of violence, the Botha government ordered Imperial troops to the Rand by the 25th.[41] Support for the strike was never more than partial and though the strike lingered on for several weeks, mining operations were little effected. Nevertheless important issues, including most of those which produced the revolutionary situation of 1922, were present here in embryo.

Government and industry united to condemn the threat to the social order posed by strike violence. In fact one important consequence of the upheaval was that it provided an opportunity for a rapproachement between some industry

leaders and Het Volk. During the strike, the mining companies had employed large numbers of inexperienced Afrikaners as strike-bearers. The government put their number at about 2,000 in early June, while Louis Reyersbach, the President of the Chamber, thought that as many as 2,500 to 3,000 might be involved.[42] Untrained in mining work, most of these men could be expected to do little except some general supervision under the direction of the skilled miners who remained. Almost certainly, much of the actual mining expertise (according to the Chamber, production hardly declined during the Strike) was being supplied by the well-trained black and Chinese work force. After the Strike many of these ill-trained whites were kept on and indeed their numbers were substantially augmented in the years which followed. In 1907 when this important development was only beginning, industry and government had complimentary reasons to welcome and encourage it. Both hoped (though they were very wrong in this) that the new Afrikaner mine workers would be immune from the militancy which had infected the Miners Union. The Mine owners expected the recruits to be content with their lower wages -- eight shillings and six pence or ten shillings per shift, thought the ever-hopeful Phillips --[43] while the government, sharing this view, thought that the mines would be encouraged by savings on the wage bill to employ more Afrikaners. Here was a partial solution to the problem of Afrikaner indigency, one which was consistent with good relations with the mining industry and which did not involve acceptance of the extremist views of the Creswellites.

The response of the Chamber of Mines to government pressure for cooperation on the white unemployment issue was complicated by the presence of a fifth column within the mining industry itself. Already locked in mortal

combat with the Chamber on black labour issues, J.B. Robinson was now claiming that the mines of his group could entirely eliminate the need for Chinese labour and reduce the need for black labour by employing more unskilled whites. He posed as the defender of free enterprise on the Rand against a conspiracy to create a giant mining monopoly and (he implied) to impose a black labour policy on the industry. WNLA was the instrument, he claimed, by which this would be achieved.[44] Forced out of the Chamber of Mines late in 1906, Robinson was sniping at it in the press both in London and South Africa.

In their anxiety to counteract the influence of Robinson and to establish a working relationship with the new government, Lionel Phillips and a few others in the Chamber saw the advantages of a positive programme to combat white unemployment. Phillips suggested that a mine training school be established for this purpose, and he was able to attract the support of Smuts and other members of the government. Later this group established its own apprenticeship scheme for local whites.[45] Furthermore, during 1907, the Wernher, Beit/Eckstein group conducted another round of experiments with white unskilled labour on the mines. Numerous reports were prepared comparing the costs of white and black unskilled labour. G.E. Webber, the General Manager of the group's Rand Mines Ltd., believed that more whites could be employed at costs not much above that for blacks. His experience was that few of the whites would stick with the work long enough to be promoted to supervisory positions. Some of the group's executives thought that the training school could help solve that problem.[46]

In a different way to the labour strategy proposed by Creswell, the employment of these Afrikaner indigents and other unskilled whites during and after the 1907 strike had equally revolutionary implications for the Transvaal gold mines. These whites were not and had little opportunity or incentive to become skilled miners of anything like equivalent expertise to the immigrant mine workers whom they were now displacing. Neither were they to be employed in any numbers in unskilled tasks, directly competing with the black migrant work force. They were to be "gangers", supervisors of blacks, who as a group were performing a widening range of underground tasks. It is clear that much of the actual skill required was being provided by the African mine workers.

This strategy, involving the introduction of an important new element in the mine labour force, should be seen, in part, as a mining industry response to the twin challenge posed by Creswell's ideas on the one hand and by the militant Miners Union on the other. Believing that it was practically impossible (and anyway undesirable) to work the mines on an all white basis, the more prescient owner's saw the need to counter the appeal of the Creswell doctrine to the Het Volk government which was fundamentally concerned about white unemployment. Employment of this new group also appealed as a means of undercutting trade union militancy on the mines at least in the short run.[47] The long run effects of the new strategy were far-reaching and probably unanticipated. It began a process of "deskilling" which was eventually to make the white labour force highly vulnerable to displacement by more expert and much cheaper blacks.

The response of the mining industry to its labour problems indicated that the mines aimed not merely to hold the line on costs; they had determined to press for substantial savings. The strategy for reorganization outlined earlier included a re-examination of labour policy, the largest single element in mining costs. In mid-1907, for example, Wernher, Beit/Eckstein published the results of one such influential study. Some years before, the Mining Engineer, E. Ross Browne, had been commissioned to examine all areas of mining organization, but his report focussed on labour.[48] Both white and black labour, he concluded, were "deplorably inefficient", and immediate remedial action was imperative. If high labour and other costs prevented the mines from extracting anything but the richest ore, "the opportunity to mine the /vast quantities of/ poorer ore will be gone". Reconstruction of the industry on the basis of much expanded units of production meant going for the lower grade ore. To get these marginal ore bodies below the "pay limit" required lower costs.[49] Well before Ross Browne reported, opinion in this mining house had agreed that the new "big mill policy" would make attractive the employment of "a much larger ratio" of unskilled labour than the 8 to 1 or 8.5 to 1 which had prevailed before the War.[50]

Nevertheless, the mine owners were slow at this stage to exploit fully the opportunities which the Strike had opened up to alter the labour balance decisively toward cheaper black unskilled labour. These men were a product of their society and like most contemporaries shared prevailing racialist views about the limited capacity of Africans -- "mere muscular machines" was the jargon of the day. Prejudice prevented full perception of the growing capacity of the African miner. The racialism of the Chamber of Mines was not held blindly, however, or unconditionally. Most of the mine

owners probably preferred a racially based society with the whites clearly on top but not at the expense of the long term profitability of the mines. How far the industry could afford in effect to subsidize the whites was a matter of judgement. But some owners had concluded that the industry was already close to the limit in 1906-7:

> I think it is worth having one more try to continue running the country upon the old lines of the white man in the superior position and the black man kept in his place. There is no doubt that for the ultimate good of the country this is the right policy, and not until it is clear that the Chinamen are to be sent away would it be wise to think of a change of system.[51]

This is Lionel Phillips on the eve of the 1907 Election. The "change of system" which he had in mind already was of course the one which he was much later instrumental in pushing for the industry and which did much to precipitate the revolutionary upheaval in 1922. This involved moving non-whites into certain supervisory positions of a subordinate sort and into semi-skilled job categories such as drill sharpening (his example!).[52]

Phillips knew however, that the proposed system would involve " a very great departure" and that late in 1906, on the eve of the Transvaal Election, was "not the moment to try it". Even in late 1908, when a close working relationship with the Botha government was an established reality, Phillips drew back from a radical change of labour policy. He advocated the pragmatic maintenance of a mixed system, and argued that both economic needs and wider social objectives could be met thereby:

> Altogether, with the benevolent assistance of the Governments, the increasing use of machinery, and possibly even the larger use of white labour(especially Afrikanders), we may be able to meet all requirements gradually though of course we shall have periods of /labour/ shortness, but that is not an unmixed evil, as it causes economy in the use of labour. I believe there is still a field for reducing working costs by continuing the policy that has been followed in recent times, namely of raising the efficiency of the Kafir and getting rid of needlessly expensive white men. This does not mean less white men, but on the contrary, perhaps the employment of a good many more.53

In Phillips ambivalent view, three principal elements can be distinguished. Personally he was a racialist, believed in white supremacy as a general proposition and wanted to maintain white hegemony in the future:

> Pressure of the circumstances is forcing the white man to do Kaffir work, which was an unheard of thing in South Africa years ago. I do not believe it is a good thing, because it may tend to produce a class of mean white, very undesirable in this black man's country. It is not a practical policy to go on heedless of the facts as they are, and try to reduce working costs exclusively by throwing out expensive white men and adding them to the unemployed.[54]

He insisted that the mines had a social obligation to help to maintain the white position; but his second argument was that this duty was not unconditional. He stressed that the mines might be reaching a point where the policy of "running the country on the old lines" was not longer possible and a "complete change of system" necessary.[55] Here was a man who knew what his prejudices were, knew what kind of society he wanted to live in and who had made, in effect, an estimate of how much he was prepared to see his companies pay for it.

The third element in his thinking involved a political calculation. In late 1906, he thought a bargain might be struck in which the mines would

agree to maintain the "old system" of white supremacy in employment if the government would agree to retain the Chinese. A deal was made in the end but not just the one Phillips imagined. The basis for accommodation was worked out piecemeal over two or three years. In crudest terms the Het Volk government got abolition of Chinese labour and from the mines an employment strategy that pretty much maintained the ratio of the whites to blacks underground, while substituting some cheaper Afrikaner labour for the more expensive immigrant miners displaced in the Strike. The mines got assistance from the government on the Strike, important help in mobilizing and organizing the black labour supply and phased withdrawal of the Chinese. Thus the labour policies which emerged at this time cannot be understood in terms of today's simple formulas whether "liberal" or "Radical". Racial prejudice, political calculation and stark considerations of profit and loss all played a part. A reductionist insistence that he was motivated by only one of these elements, merely produces a caricature of his thinking.

While Phillips' fairly cautious approach to labour policy represented the dominant view of the Chamber of Mines, there were some industrialists who argued for more drastic measures. George Albu, the Chairman of General Mining, had had his eyes opened during the Strike. As a result of the upheaval, he had learned that the mines had been "grossly overstaffed" with "so-called skilled labour". The industry could do with 15-20 per cent fewer whites and with a corresponding saving in working costs. He thought it was time to put aside "sentimental" considerations and do away with the "unnecessary surplus".[56] In a long memorandum circulated to the groups in

mid-1907 while the Strike was still in progress, W. L. Honnold of Consolidated Mines Selection, Ltd, argued that "the main issue /of the Strike/ is unionism, and the unionizing of the Rand means its collapse".[57] He emphasized that further cost reductions were a necessity and that "...we must be free to make the most of our labour conditions":

> I therefore believe that above and before all other questions, we should decide that the Rand is not to be unionized, and should follow a policy of remorseless elimination of every influence in that direction.

Honnold added that the mines should be prepared for "any temporary sacrifice necessary for the establishment of the position". The assault on the Transvaal Miners' Union in this memorandum was founded on the imperative need to reduce costs. Honnold argued for a fundamental reorganization of underground work. Whites should be supervisors only and no (legal) limit should be placed on the amount of supervision which could be required of them. Wages of the supervisors ought not to exceed twenty shillings per shift. Between the "ordinary native" and the white overseers, Honnold wanted to establish an intermediate group of "better class natives" settled with their families on the mines. On different mines this group could consist of poor whites content with ten shillings a day. Experiments should be conducted to see which group was most efficient. In this single-minded drive to reduce labour costs, Honnold had gone far toward eliminating colour from his calculations and toward defining that "change of system" which Phillips had anticipated earlier. Clearly there was an active debate in the Chamber on these questions.

Two weeks later, Honnold returned to the attack, circulating a second memorandum. Complete reorganization of the mine labour system was, he re-iterated, "the most direct as well as the most advantageous" means of lowering costs. To achieve this he outlined two possible strategies. One, "the native scheme" was the policy laid out in the first memorandum -- masses of blacks performing all of the unskilled and most of the semi-skilled jobs with a minimum of white supervision. The alternatives, which he now seemed to favour (for political as well as economic reasons) was the "white scheme" where substantial numbers of semi-skilled whites (mainly Afrikaners) would be placed in low level supervisory jobs, such as tending machine drills, at (he suggested) six shillings per shift. In thus backing away from a radical assault on the ratio of white to black underground, Honnold was moving toward the less politically explosive majority view in the industry.[58]

The question of white employment levels on the mines had been a sensitive political issue for some years. It had arisen in 1903 amd 1904 during the debate over Chinese labour. Anti-importationists argued then that the owners intended to substitute Chinese for most of the whites. A condition demanded by the Imperial government and agreed to by the industry before the passage of the Labour Importation Ordinance in 1904 was that white miners would not suffer from the new policy. Almost immediately the first shiploads of Chinese arrived, evidence began to appear that the mines were ignoring their commitments. When called in by Milner early in 1905 to explain what was going on, Lionel Phillips agreed to urge the mining houses to avoid "short-sighted dismissals" of whites which would cause "an outcry" both in Britain and South Africa.[59] Since then the propaganda of the Cres-

wellites had kept alive the fear that the mines were bent on a black labour policy. In fact, however, there was no move toward the large scale substitution of black for white labour until the gold industry ran up against much more severe cost constraints after World War I.[60] Before that point, the question of the basic direction of labour policy on the mines remained open. Liberal labour history has argued that the mine owners were forced to entrench the migrant labour system by pressure from the white unions and allied politicians to protect high cost white labour through the legal and customary Colour Bar:

> The social policy which has resulted in the continued use of migratory labour and the compound system has had further consequences in influencing the organization of Native labour on the mines. Employers in the mining industry are prevented from making full use of the capacities of Natives. Consequently they employ Native labour as a relatively undifferentiated mass, and...they have turned their attention rather to preventing competition from driving up the rates of pay and the cost of recruiting than to devising widespread incentives to Natives to increase their efficiency.[61]

The problem with this analysis is that it catches only one element --albeit an important one of external pressure -- of the complex equation which produced mine labour policy.

The labour situation on the mines in the early twentieth century was much more fluid than van der Horst allows. The owners were not forced by pre-existing sentiment in favour of an industrial colour bar to entrench the migrant labour system. An analysis of the debate within the Chamber of Mines on labour policy does not reveal a uniform picture of cost-conscious, colour blind capitalists fighting and losing a battle to primordial racial prejudice in the Miners' Union and the white community generally. Many of the capita-

lists, like Phillips, wanted to maintain a racially ordered society. Many of them were slow to perceive the full potential of their black labour force. Above all they sought cheap black labour and tended to resist proposals to stabilize the labour force when there could be no guarantee that greater efficiency would offset higher wage and other costs. In 1906 and 1907 as a result of the decision to phase out Chinese labour, as a result of the propaganda of the Creswellites and of the issues raised in the 1907 Strike, consideration was given to a complete change of labour system. This strategy involved an assault on the Colour Bar and eventually a move away from the migrant system toward a more stable (more costly and presumably better paid) black work force, supervised by a minimum number of whites. Before World War I, most industrialists drew back from so radical a change of policy, and they did so for reasons which had only partly to do with the resistance of white labour. The very magnitude of the change prompted caution as did their own preferences for a racially hierarchical society.

Arguing in direct opposition to the liberal thesis, Rob Davies has suggested that in the pre-Union period, "...the racial division of labour, its entrenchment in law and indeed the imposition of segregation within the work process itself, were a direct product of the pursuit of profit by mining capital".[62] In the same article he also suggested that the "crucial determinent" in the racial division of labour on the Rand was the "subjection of Africans to the 'exploitation colour bars'" (i.e., monopsonistic wage agreements, pass laws, tax systems and other repressive legislation promoting migrant labour). This analysis swings too far in the other direction. The route to super profits in the mining industry was not as

clear to the Randlords as it apparently is to Davies. By 1908, the Chamber of Mines had developed an uneasy compromise on labour policy which tried to compose their competing views and to take account of the pressures impinging on the industry from outside. Had narrow considerations of profit and loss been the sole determinent of policy the Chamber would probably have been tempted by the Honnold proposal for a radical assault on the existing labour system. Honnold after all presented his scheme as a cost saving, anti-union measure. The reasons why the Chamber did not adopt this approach have already been explained. The Strike of 1907 and the extremist propaganda of the Creswellites played into the hands of the Randlords and helped to make possible their rapproachement with Het Volk. As a result a thorough-going attack on the position of white labour was defered until much more serious cost constraints were encountered after World War I. The alliance with Het Volk was attractive not as the high road to super profits but because it promised political and labour peace, the prospect of renewed expansion and reasonable prosperity. These in turn meant hope of restored investor confidence. Resumed investment was as important to prosperity as a solution to the industry's labour problems.

The debate on labour policy during 1907 served not as at first seemed likely to drive industry and government further apart but to provide the means of a rapproachement between them. That the result was cooperation rather than conflict was no accident. Despite much apparent acrimony and a good deal of shouting in public, moderates on both sides had been working from early in 1906 to make the contacts which provided a basis for later accommodation. The strident anti-capitalism which sometimes marked Het Volk's election rhetoric was based as much on political calculation as upon

personal conviction. As N.G. Garson has aptly noted, "the image of Het Volk as simply the leading component of the anti-capitalist forces, with its leaders anxious to work with Labour and other non-capitalist groups among the Transvaal British, was one well calculated to appeal to Liberals worried about the future of Chinese labour."[63] From the very outset of the campaign and even before Het Volk leaders were careful to make it privately known to leaders of the mining industry that they had no intention of jeopardising the Transvaal's only reliable revenue source. For their part, the more moderate of the mine owners saw that if full scale political war broke out, it was the mines which had most to loose. By early 1908 a deal had been all but made:

> Smuts and Botha discussed the Cresswell /sic/ report and the white labour question with me at great length. While they scout the idea of importing white men to supplant the kafirs, they are obviously anxious about placing the young white men of the country as they grow up. In this I think they are quite sound. I told them it was quite unnecessary to legislate; that the industry would be quite ready to take the young Afrikanders who are trained.[64]

The decision of Het Volk in 1908 to dump Creswell and to cement a working relationship with the Chamber of Mines can be simply explained. After the Election of 1907 had revealed the shape of Transvaal politics and given Het Volk a legislative majority against all comers (labour elected only three members), its leaders must have realised that they had little to gain from embracing a divided labour movement and much to loose by permanent estrangement from the capitalists. Creswell's extremist rhetoric and the sheer volatility of white labour disturbed, mystified and ultimately frightened the leaders of a conservative, largely agrarian party. The decision to bury the Mining Industry Commission Report followed from their disenchantment with Creswell; while the use of British Troops during the 1907 Strike

was striking evidence of their fear of the labour movement. Since white labour remained weak politically, the cost of these drastic steps was small at first. Once Afrikaners had flocked into the mines and when the Labour and Nationalist parties had mobilized them for politics, the situation was dramatically transformed. This development lay fifteen years in the future, however. In 1907 Afrikaners were the antidote to labour militancy not the cause of it.

In taking note of Het Volk's swing toward the mining industry, Rob Davies argued that the emerging alliance represented the policy "...of the more backward agricultural and manufacturing fractions /which/ were to a large extent dependent on the market created by the mining industry and ...did not want to impair future flows of capital".[65] Since Davies both fails to identify these interests and to demonstrate that they had influence on the party, the question of their role must remain open.

On the mining industry side the prospects of accommodation were enormously strengthened by the essential pragmatism of key industry leaders. Both Phillips and Wernher thought from an early date that the political wind was blowing in the direction of Het Volk. They feared that their firm would be made to suffer for its previous identification with "Milnerism" and that a Het Volk government if it was not actively malevolent toward the gold industry would at best be incompetent. Still, if their fears were realised and the Election went against them, that government would have to be dealt with -- industry and state were bound tightly together -- and they would have to try to get the best terms they could. By August, 1906, Phillips had followed the lead of his London principals and himself made

direct contact with the Boer leaders. He continued to hope for a Progressive victory until the end of the year, but he was already hedging his bets:

> Our policy must from now /on/ be one of real conciliation. I do not mean that we should not let Fitz fight for all he is worth politically, but behind the scenes, we must try to get on terms with the Boers (if we can!) regarding industrial matters. The salvation of the country lies in pushing the mines and husbandry as much as possible.[66]

Immediately after the Het Volk victory, Phillips proposed to his partners that their firm take the next step. For years they had retained FitzPatrick as their political expert, supporting and assisting him to become the Colony's most colourful and influential English-speaking politician. He had just won a major victory against Richard Solomon in a Pretoria constituency. But the Progressive Party had gone down to defeat and in the new dispensation, Phillips saw that FitzPatrick was a distinct liability. *Writing to London only five days after the Het Volk* victory, Phillips wasted no ink on sentiment or loyalty to their old partner:

> One thing seems to me clear beyond doubt, namely that some satisfactory means should be found of retiring FitzPatrick from the firm. We shall be far better off without a partner directly in politics, and his position would be immeasurably strengthened. It is of course absurd, holding in view the enourmous interests we represent, that we should not take an active part in politics in a country where the one industry with which we are associated must be so tremendously influenced by legislation; but there is no doubt active interference by us in the political arena gives great opportunities for the cry that we wish not only to rule the mining industry but the country too.[67]

This was done later that year and FitzPatrick helped to a retirement from

the firm which left him with the means to carry on his political career independently. Phillips added in this letter that he agreed with his London colleagues, Wernher and Eckstein, that "other people must be left to fight the Imperial battle now, assuming that it has to be fought at all." And he concluded on a note which mixed guarded optimism with the overriding pessimism which dominated his view at that stage:

> One thing is certain, if Boer intentions are to foster the mining industry, there is no need for us to be in politics, because we shall certainly be consulted behind the scenes; and if on the other hand, they intend to restrict it, we are powerless and must then take care of ourselves and the interests we represent as best we can.[68]

For the next several years, he worked single-mindedly to ensure that it was the first of the options which he sketched that came to pass.

On the government side a similar desire to build on the contacts of 1906 soon manifested itself. After their electoral victory, they moved swiftly to reassure the Randlords. The Prime Minister, General Botha, himself met a deputation of magnates in London during May 1907.[69] Those present had asked that the Chinese might be gradually phased out so that disruption of mining production could be minimised. Botha was sympathetic and assured them that the policy of his administration was "repatriation and replacement". This was taken to mean that the Chinese might stay until adequate local supplies of labour were secured, and that the government accepted a responsibility to assist the mines to replace the labour they would lose.[70] Just at this time an unrelated but quite remarkable improvement in the supply of African labour became evident and also helped to allay the anxieties of the mine owners.[71]

In South Africa as well, members of Botha's cabinet were quick to make contact with the mining houses to assure them that, while the Chinese had to go, this implied no overriding hostility to the industry. Lionel Phillips reported to his principals on the results of one such interview between a colleague in another mining group and the new Transvaal Treasurer, H.C. Hull:

> Hull also told King that they intended to make the niggers work and see the wages brought down. This does not of course tally with their declared intention of letting the Chinese go, because the reduction of numbers would result in greater competition for the available labour, and does not square with the reduction of pay. Hull also said 'we are going to flood them with labour', but did not say how or where from.[72]

Phillips believed that the government might negotiate with the Portuguese colonial authorities to increase the supply available from Mozambique under the Modus Vivendi. Negotiations in fact had been under way for some time concerning this agreement which since 1901 had guaranteed the gold mines access to their most important local sources of supply in return for customs and railway concessions to the Portuguese. A new agreement, the Transvaal-Mozambique Convention, was not actually concluded until 1909, however. Phillips also knew that the government intended to approach the Imperial authorities to secure renewed access to the labour of the Nyasaland Protectorate.[73] Because of the extraordinarily high levels of mortality, recruiting from Nyasaland(though not the movement of unrecruited volunteers which was judged impossible to prevent) had been suspended since January, 1906. In any case Phillips doubted that either of these sources would provide a long term solution.[74] He and his colleague, Wernher, feared that the government

would act precipitately on the basis of its facile optimism concerning the availibility of black labour. They would get rid of the Chinese and only then find that their high hopes concerning alternative labour supplies were groundless.[75] In the end it was the pessimism of the Randlords which proved to be groundless. The government got them their labour, though this was due as much to good luck as to good management.

Whatever their doubts and fears about the new government, many mining industrialists must have supported a conciliatory policy simply out of an awareness of the capacity of that government to inflict irreparable harm. Again, Phillips wrote pessimistically about the new cabinet:

> Botha, although he may have capacity, has no practical experience. Smuts, though brilliant, is entirely theoretical; Jappie de Villiers, a young barrister with no previous experience; Hull, an enigma; E.P. Solomon, a brainless old woman; and Rissik, a man though very sound and shrewd, much more versed in science than in business.[76]

Nevertheless, he was well aware that these men and their Liberal allies in Britain held most of the cards:

> War is very well as a last resort, but even if in the end by starting an active campaign against the Liberals at home and against the Boers here a Conservative Government did get back into power with a mandate to put things right ...the mining industry would have been pretty well ground into powder before all of this could happen.[77]

Of course, the situation was not nearly as one-sided as Phillips melodramatic statement tried to suggest. The mines had means to protect themselves. In the same letter, he refered to a cable sent to Lord Rothschild,

asking him to use his influence with General Botha. The Transvaal government would doubtless wish to raise a loan, and the view of Lord Rothschild ought, therefore, to carry weight, as Phillips coyly put it. In another letter of the same date to Friedrich Eckstein, Phillips wondered whether the mining houses should support the share market in the event of a precipitous government decision to repatriate the Chinese all at once. He answered his own query in the negative, pointing out that forced selling would have an "appalling" effect upon share prices and, therefore, he believed, a "sobering" effect upon the government. In these and similar devices the industry had means to prevent the state from taking radical measures against it. The mines could make the cost of such measures unacceptably high. As Phillips remarked,failure to maintain investment levels or a decision not to support the share market could have immediate and serious general economic effects.

Before long, the Botha government moved from assurance to definite action on the labour issue. By the time the Transvaal Legislature met again in June, the Prime Minister was able to announce a series of concrete steps which his government had already taken to reorganize the migrant labour supply within southern Africa. In a major policy statement on labour, the Prime Minister reported that his government had already established a Native Labour Bureau "in connection with the Native Affairs Department" which was to "regulate the supply of labour to the mines", to "supervise the recruiting of native labour in South Africa" and to ensure that migrant labour was "better controlled and more systematically conducted". Botha's remarks included a good deal of scarcely veiled criticism of the mining industry's own

recruiting organization which had ignominiously collapsed through internal dissension the year before. The Native Affairs Department also had evidence that growing numbers of Transvaal Africans were seeking work independently and avoiding the labour agencies.[79] Through the GNLB, the government meant to encourage this development which could lower recruiting costs and reduce wasteful competition for labour. In his policy statement to the Legislature, Botha added that the GNLB was already organizing its work in the Cape where it would in future supplement the efforts of private recruiters with vigorous and independent action".[80] Unlike its counterpart, the Rhodesian Native Labour Bureau, the Transvaal bureau did not itself solicit recruits.[81] It was furthermore exclusively a government managed affair in contrast to the RNLB, the board of management of which was dominated by mining industry representatives.[82] On the Rand itself, the GNLB was to "safeguard the interests of the natives in the labour districts, thereby inspiring them with increasing confidence in their employers". Government hoped that better treatment would encourage the mine labour supply. However, improvement in this respect was halting at best, not least because the GNLB had to be simultaneously the "protectors" of Africans and the enforcer of a severe industrial discipline. Nearly a year after the establishment of the Bureau, Cape Africans still complained that they needed a representative of their own government to attend to complaints.[83] Nevertheless the GNLB's authority slowly developed and from the beginning it supervised both the recruitment and the treatment of mine labour.[84] Later in 1907, the Bureau was separated entirely from the Native Affairs Department.[85]

The decision of the Transvaal government to become more closely involved in the recruitment and supervision of mine labour was not simply a product

of its desire to compensate the industry for the imminent loss of the Chinese. The government also responded to the demonstrated inability of the Chamber of Mines to maintain an agreed recruiting system for the industry. During 1906 the operations of the Witwatersrand Native Labour Association had fallen into disarray within the South African colonies. At the same time its hold on Mozambique was threatened. The WNLA operation had never worked very well in South Africa itself, and the Association was finally forced by widespread evasion of its rules by member companies to release them from their agreement to undertake independent recruiting:

> ...The disintegrating tendencies...are so strong that certain modifications will have to be faced. The groups could not agree to renew cooperation and many mine managers believed that more labour would be secured if they were able to use independent recruiters.[86]

This judgement derived from the reports prepared by the WNLA General Manager, T.J.M. Macfarlane, on the operation of the inter-group recruiting monopsony. On the mines where the books were complete enough to check (defaulting managers sought, not unnaturally, to cover their tracks) investigation disclosed numerous irregularities. Mr. J.B. Robinson's mines were certainly not the only violators, but they had been among the most successful. General Mining and J.C.I. also received condemnation for "gross irregularities".[87] WNLA recruiters operated at a major disadvantage vis--a--vis the independents since the former had to recruit for general distribution in the industry for unpopular as well as popular mines. Knowing this, many Africans prefered to deal with independent recruiters so that they could be sure of getting to the mine of their choice. Anarchy in the labour market was bad enough in itself. What made it worse was the resulting danger of a new round of wage

increases. While the risk was real it should not be exaggerated, as by 1906 there were other constraints on wage competition within the industry:

> The chances are, however, that these fears as to a material increase in Kaffir wages /if WNLA should break up/ are exaggerated. Judging by our pre-war experiences, it is hardly likely that this will happen to any extent. Notwithstanding the serious shortage and free recruiting, the rate of wages paid to natives in 1899 was lower than it is to-day. Besides, the groups which are most inclined to act independently control mines which can least afford to increase the pay of their kaffir labourers.88

This statement tried to minimize the likely consequences of what was generally recognized to be a grave situation, but it is true that the declining grade of ore and higher non-labour costs would encourage the groups to restrain wages. As the statement noted, groups with predominantly low grade mines in their portfolios would be hardest hit by wage competition. It was estimated that four of the six mines in the Goerz group, for example, would have become unpayable if African wages rose above two shillings per shift.[89] WNLA tried unsuccessfully to bind member companies,which it now agreed could recruit competitively, to an agreed scale of wages. Competitive recruiting with a common wage scale tended of course to be inherently unstable and probably impossible to police. Because the poorer mines were the most vigorous competitors, however, wage rates did not in practice rise very much. Competition appeared in other ways.[90]

The establishment of the Government Native Labour Bureau followed directly from the inability of the mining groups to restrain labour competition in their own umbrella organization. Industry spokesmen did their best to disguise this unpalatable reality. In a long memorandum reviewing the history

of labour recruiting on the gold mines. Fredrick Perry, the Chairman of WNLA, argued that there could be no industrial expansion on the Witwatersrand until the labour supply was secure: "...the provision of a certain and adequate labour supply must come before anything else".[91] More unskilled labour had to be secured to supplement the 150,000 men then at work and they had to be obtained at prevailing rates of pay: "For an increase of /labour/ costs will at once throw not only future, but a number of mines now working outside the payable limit". Since the government had cut the industry off from "practically an unlimited quantity of labour" in Northern China, it was responsible, Perry tried to argue, for replacing them.[92]

Support for direct government involvement in mine labour recruiting came also from another quarter within the industry. J.B. Robinson used his relationship with Het Volk to appeal to General Botha urging the authorities to act. Of course this renegade wanted support for his own clandestine efforts to sabotage WNLA and establish free recruiting. He argued in a way that was bound to appeal to the new government, claiming that with state support the mines could attract more than enough labour to replace the Chinese. Paradoxically J.B.Robinson was one of those low grade mines owners who was bound to suffer most if competitive recruiting provoked a new round of wage increases.[93]

At about the same time as these interests within the industry were approaching the government, a minute arrived from authorities at the Cape expressing renewed concern at the failure of Transkeian Africans to seek mine employment in sufficient numbers. This question had exercised officials in both governments for at least two years. The Cape government blamed conditions on the mines and argued that with better treatment and assured redress of grievances, Trasnkeian Africans would accept mine employment in greater numbers. At the

end of 1905,Jameson's government had proposed the appointment of a Cape agent at Johannesburg to represent the interests of local Africans and to promote the labour supply.[94] The Transvaal authorities agreed to the appointment of an inquiry commission, but when the commission reported that an agency was unnecessary, the matter was allowed to drop. During these negotiations, the Transvaal government complained that Cape mine workers were about the worst on the Rand. Godfrey Lagden, The Transvaal Commissioner of Native Affairs, replied to the Cape government that these Transkeians had caused "incessant trouble", that they were "conspicuous for their insubordination" and "a disturbing element in the mine economy".[95] Beyond appointing the commission and exchanging recriminations, the two governments did not act on the problem for another fourteen months. Now in 1907, the Cape raised the matter again, noting their own eastern territories had ample labour available and there was a pronounced shortage on the Rand. The well known aversion of Cape Africans to mine labour was diplomatically attributed to unexplained "prejudice" and to a dislike of underground work;misrepresentation by labour agents and runners was also cited. In private, Cape officials were far more critical of conditions on the mines.[96] The 1907 minute also included and outline of the scheme later agreed between governments to establish a mechanism to facilitate the movement of Cape "voluntaries" to the mines.[97] These anxieties of the Cape government were of course related directly to their perception of the needs of whites across the Kei. The prosperity of the trading community, ministers pointed out "largely depends" on the "state of the labour market".

Cape ministers became still more concerned when they received evidence that recruiting for the Rand in the Colony's eastern districts had come almost to a complete standstill:

> ministers have received representations from independent sources, officially and otherwise, which indicate that recruitment of native labour in the Transkeian Territories for the Rand Mines has practically been stopped.99

The Prime Minster asked the Cape Governor to request a report from the new Transvaal administration. Jameson stressed that labour was readily available in the Transkei and that the cessation of recruiting was "very injurious to trade". The concern of the government reflected a stream of protest from the eastern Cape where magistrates, labour agents, traders and other commercial interests anxiously voiced their alarm.[100] Although the Botha administration assured the Cape that the cessation of recruiting operations was temporary, the incident lent urgency to talks already underway between the two governments on the development of a common labour policy.[101] Cape Ministers had sent Sir W. Stanford north in March/April and he saw representatives of the industry and the Transvaal government. Stanford urged his ministry to maintain the pressure on both the Chamber of Mines and the Het Volk administration for closer coordination of labour policy.[102]

After the visit of Sir Walter Stanford, negotiations followed at a ministerial level, and in June, 1907 a provisional memorandum of agreement was signed by the new head of the Transvaal Native Labour Bureau, H.M. Taberer, and the Acting Secretary of Native Affairs at the Cape, Edward Dower.[103] The central purpose of the agreement was to facilitate the movement of the so-called "voluntaries" (unrecruited Africans) to the mines. Africans travelling in "batches" of ten or more were to be provided with railway passage and food en route "free of charge". Funds advanced by the governments for this purpose would be recovered from the prospective employers. This was not a recruiting scheme and it did not involve the allocation of labour to particular mines. The government system was set up in a way which tried to avoid some of the pitfalls which had caused the collapse of WNLA.

The Chamber of Mines monopsony had broken down partly because of the inability to devise an equitable way of distributing the recruits among the member companies, especially in times of shortage. A standing committee of mining engineers established complements for each mine. The individual companies were then entitled to that percentage of their complement which the available supply bore to the total of all of the complements. The committee had been unable to prevent the mines from submitting false data to inflate their complements and so corner a higher percentage of the available supply:

> In looking through the percentage returns issued by the W.N.L.A., you will be struck by the fact that some of the groups must all along have largely over-stated their complements and forced them through the meetings of engineers /i.e., the committee of engineers which set mine complements for WNLA/,the principal offenders undoubtedly being J.B. Robinson and Barnatos.[104]

The situation was further complicated by the need to pay attention to mine worker preferences, and some mines were vastly more popular than others.

This new Cape-Transvaal scheme evaded the problem by declining all responsibility for distribution. Africans arriving at the Bureau's depot in Johannesburg were to make their own deal with employers who then reimbursed the Bureau for railway fares and advances for food. The employer in turn recovered these costs by deductions from the workers' salary (this was what was meant in the memorandum of agreement specifying that railway fares and food were to be provided to recruits "free of charge"). Africans recruited by private agencies -- the so-called contractors, which typically recruited, transported and sometimes even housed, fed and delivered mine workers to particular mines in return for a flat fee per shift worked --

also had to report to the Bureau's labour depot but only for the purpose of medical examination and vaccination. Africans seeking non-mining employment on the Rand were entitled to make use of bureau facilities but could not receive the "free" railway fares and rations provided under the Cape-Transvaal agreement.

The establishment of the GNLB in 1907 and the immediate extension of its operation into the Cape marked a major new involvement for government in the regulation, recruitment and control of mine labour. The decision to extend the role of the state in this way was the result of several considerations. When it decided to go through with the repatriation of the Chinese, the Het Volk administration felt an obligation to make good on its claim that adequate labour was available from within South Africa. Direct government action was imperative because the industry's own recruiting agency was visibly in disarray. Finally, the new scheme was a response to the request from the Cape for assistance against the effects of recession in its eastern districts. Higher levels of the mine labour employment would bring much needed cash into the economy of the Transkei and the Ciskei. The agreement signed by Taberer and Dower brought the Cape and the Transvaal into very close collaboration on labour matters. The extension of the labour bureau's operations into the neighbouring colony marked another of those tendencies toward South Africa-wide integration of policy characteristic of the decade before Union. In these arrangements and in the parallel steps which were taken with Natal, can be seen the outlines of a labour strategy for South Africa as a whole. Thus the Native Labour Regulation Act of 1911 did not so much create a policy for the Union as affirm and consolidate measures already agreed between governments before Union.

By mid-1908, government efforts to promote the labour supply for the mines, together with its cooperative standpoint on the 1907 Strike and other issues, had transformed its relations with the mining industry. Even the gloomy Wernher could now express satisfaction with an administration about which he had been extremely pessimistic only one year before. In July he wrote to Phillips about his recent address to the shareholders at the Annual Meeting of the Central Mining and Investment Company:

> You will notice in my speech at the meeting to-day that I expressed general satisfaction with the Government. I did this especially in order to give you a good backing in the task which you have before you and in which you have been so successful. We all know that mistakes are made, but, taking a general and broad view, everybody seems agreed that the men are trying to do their best. Even Perry /the WNLA Chairman/ had to admit this, and he added that it would be difficult to find more capable men in South Africa at the head of affairs than the present /Transvaal/ Government. I hope I have not been too flattering, but I think it was better to say what I meant than to indulge in a kind of half praise. My remarks in this connection may not quite please some of our progressive friends, but that cannot be helped. I tried to smooth things out as well as possible by saying that if the Opposition ever came to power they could be assured of our most loyal support.105

From Wernher, high praise indeed.

Even before the implementation of these reforms which Wernher and other Randlords praised, the flow of labour to the Rand had begun to improve dramatically.[106] In Johannesburg this was attributed to the prevailing depression and to declining employment levels in other sectors of the economy. Thus these government initiatives acted to reinforce a trend toward higher levels of black employment on the mines. But the architects of the Labour Bureau and of Transvaal-Cape cooperation

aimed not only to enhance the flow of labour but to control the private recruiters and supervise conditions on the mines. In the areas of control and supervision, however, the Bureau failed to produce much improvement during the first years of operation.

Developing a unified labour policy for the Cape and the Transvaal turned out to be fairly straighforward; establishing the machinery to administer it effectively required the work of many years. The measure agreed in 1907 marked only the timid and hesitant beginning of a prolonged and costly administrative effort. At the outset, officials and the politicians gave priority to increasing the labour supply. Tacitly they agreed to defer reforms which might conceivably hurt recruiting levels. The assisted voluntary scheme, for example, which despite official protestations to the contrary, aimed to undercut the private recruiter, was not fully worked out until 1909-10, when Registry offices under the control of the GNLB took responsibility for labour matters from the Cape resident magistrates. The labour registrars received orders to encourage voluntary enlistment for the mines.[107] They had little success. Reviewing the operation of the programme in 1914 as part of the Native Grievance Inquiry, the Commissioner H.O. Buckle, Resident Magistrate of Johannesburg, called it "an undoubted failure", and he placed the blame squarely on "the competion of the private recruiters.[108] Only then did the government begin to act vigorously to reduce the number of recruiters and to control the often cut-throat competition of those who remained. These steps, coupled with the partial restoration of the recruiting monosony in the formation of the Native Recruiting Corporation in 1912, did at last curb the anarchy which had long plagued the labour market.

Negotiations with Natal in pursuit of an agreed recruiting policy proved to be more difficult and protracted than in the case of the Cape. During his travels around South Africa, the Director of the GNLB, H.M. Taberer, held talks with the Natal Prime Minister, F.R. Moor, in July 1907. According to the Transvaal government minute which summarized their discussion, Moor stated that Natal was eager to cooperate.[109] Nevertheless, there were difficulties. For one thing the Prime Minister did not want Natal African to be "mixed up" with other recruits in the GNLB compound in Johannesburg. Taberer replied that Africans remained in the compound only for twenty-four hours, that it had separate rooms and that, therefore, there was no question of the different ethnic groups being "mixed up" together. Moor was not satisfied with these explanations and went to extraordinary lengths to insist on his government's objections. Separate facilities would have to be provided, and -- a remarkable concession for this tightfisted administration -- his government was prepared to pay for them. Natal was still in the midst of a very serious "native rebellion" which was widely, though erroneously, attributed to the baneful influence of Kholwa (Christian) and other "modern" Africans.[110] Perhaps the paternalist Moor feared that his Africans would be "spoiled" by contact with presumably sophisticated and corrupt "mine boys" from elsewhere.

Natal had other objections to the proposed cooperative recruiting scheme. Moor refused to permit a system of cash or cattle wage advances as inducements to promote the labour supply. Evidently he knew of the chaos which wage advances had produced in the recruiting industry in parts of the eastern Cape, especially Pondoland. As an alternative, Moor wanted a deposit and remittance agency re-established so that part of the pay of

the black miners could be withheld and issued to them on their return.[111] The buoyant effect of repatriated wages on colonial economies had always been a major incentive for neighbouring jurisdictions to permit the mines to compete for labour against local employers. Finally Moor insisted that the Transvaal government agree to guarantee his government against loss arising from the issue of travel warrants to Africans bound for the mines. As in the Cape these advances were recoverable from the mine workers' wages. Losses would arise through deaths and desertions.

Generally, the Natal government argued that Taberer had under-estimated the administrative burden which a cooperative labour agreement would place on the garden colony's Native Affairs Department. Behind all of their reservations, other motives can be detected. Moor's hedging probably resulted from the hope that the Transvaal would provide some sweetener, some financial inducement to secure his agreement. For several years, Natal had been trying to get better terms of access to Rand markets and lower railway rates in order to increase the colony's shrinking share of the traffic. These negotiations were continuing simultaneously with the discussions on labour matters. The conclusion is irresistable that Natal ministers saw labour as a bargaining chip in the contest for preferential access to Rand markets. Perhaps also Natal's cautious approach reflected the old fear that competition from the mines would create a labour shortage and drive up the Colony's chronically low black wages. For years they had prohibited recruiting for outside employment altogether.

By November, 1907, however, Natal was coming into line. Ministers informed Governor Matthew Nathan that they were now prepared to render

"every assistance" to the Transvaal GNLB and that they had appointed the Under-Secretary of Native Affairs, S.O. Samuelson, to co-ordinate policy with Taberer. An amendment to the Natal Tout's Act gave the mining industry access to the labour supply in the colony and in Zululand early in 1908.[112] While the Transvaal gave no definite quid pro quo on railway matters, Natal ministers could still hope that cooperation on the labour supply would help their case on the other issues as discussions continued. Moor did secure agreement to one of his demands. The Botha government agreed to the establishment of a Natal Labour Agency in Johannesburg outside the control of the GNLB.[113] In any case recruiting levels for the mines in Natal remained disappointing. In 1908 and 1909, the mining groups recruited barely a quarter of the labour in Natal that they secured from the Cape.[114]

These initiatives of the Botha government in enlisting the cooperation of neighbouring colonies on labour matters contributed markedly to a striking improvement in the supply situation. In the three years before Union, recruiting levels shot up and the number of additional recruits was more than sufficient to replace the repatriated Chinese labourers. The Cape emerged as a major supplier of mine labour, second only to Mozambique. Nevertheless serious problems remained. An all-out effort to promote labour recruiting meant little emphasis on the supervision of labour agents and of conditions on the mines. Competitive recruiting and the abuses resulting therefrom grew worse in these years.[115] Conditions in the compounds and underground on many of the mines remained deplorable.

The conclusion is inescapable that the efficient, economical organization of the black labour supply proved to be beyond the capacity of the mining industry itself and of these pre-Union governments. Not until the Union

brought national government, some unity of purpose and the resources to fund a national bureaucracy did the recruiting mess begin slowly to yield to effective reform. The creation of the Union of South Africa cannot, of course, be regarded as a direct response to industrial needs or capitalist pressure. Indeed the leading architects of Union, Botha, Smuts and Merriman, saw their grand design partly as a device to check the baneful influence of Randlords. Only a united South Africa on their argument would be strong enough to stand out against the machinations of international capital. Certainly also the mining capitalists had little direct influence on the design of the new constitution. Lionel Phillips was consulted by Smuts to some extent. His former colleague, FitzPatrick, and the ERPM chief, George Farrar, attended the Convention as representatives of the Transvaal Progressive Party. The terms of Union had largely been worked out beforehand,however.[116]

Yet the mining industry needed Union, and many of its leaders knew it.[117] Led by the gold mines, the South African economy had outrun the management capacities of the often feuding colonial governments. In railway and customs policy, for example, their increasingly bitter conflicts handicapped the Transvaal in its negotiations with the Mozambique government concerning the Modus Vivendi on black labour, railway and trade issues. Consequently negotiations were prolonged and efforts to secure amendments to the agreements which regulated WNLA recruiting in Mozambique were compromised. The price was paid by the mining industry. Despite some successes, the various South African colonies had also demonstrated by 1909 their inability to manage the intractable problems created by the migrant labour system in what was now visibly a single, sub-continental economy. It took the much stronger and more cohesive Union administration a full ten years to bring these problems under control.

Abbreviations used in the Notes.

C.O. 879	Colonial Office, Confidential Print, Series: African, South, Microfilm in Transvaal Archives depot, Pretoria (TAD)
GNLB	Government Native Labour Bureau Archive, TAD
HE	Archives of H.Eckstein and Co., Barlow Rand Archives, Johannesburg
MICMR	Majority Report of the Mining Industry Commission (Pretoria, TG 1, 1908)
NTS	Union Native Affairs Department Archive, TAD
PM	Prime Minister of the Transvaal Archive, TAD
SNA+	Secretary of Native Affairs Archive, Transvaal, TAD

+ At the time of writing, some of the volumes in this series had been renumbered. To avoid confusion, I have cited only the file numbers and the year for each reference. Using this information together with the inventory of the collection in the TAD will enable researchers to trace the citations.

1 Complaints about the shortage of development capital were widespread at this time. See, for example, the Transvaal Leader, 13/12/06, reporting the speech of Raymond Schumacher to the annual meeting of the South Nourse G.M.C., Ltd.

2 HE 152, Lionel Phillips to J. Wernher, 4/12/05; also, South African Mines, Commerce and Industries, 1/9/06.

3 HE 144, J. Wernher to L.Phillips, 10/11/05, on the tube mills.

4 Reported in the Johannesburg Star 20/11/07.

5 HE 253/134/741, H. Eckstein and Co. to Wernher, Beit and Co., 5/3/06; also, HE 134, S. Evans to F. Eckstein, 24/9/06 and 19/11/06.

6 HE 253/248/932, "Notes on the Development of the Mining Industry", prepared by the Engineering Department of Consolidated Mines Selection, June, 1907.

7 M.Fraser and A.H. Jeeves (eds.), All that Glittered: Selected Correspondence of Lionel Phillips, 1890-1924 (Cape Town, 1977), Section III; South African Mines, Commerce and Industries, 9/2/07.

8 Transvaal Leader, op. cit., reporting Raymond Schumacher's speech.

9 South African Mines, Commerce and Industries, 1/9/06, reported the speech. This journal, a spokesman for the industry in Johannesburg, was specializing in gloomy reports on "the outlook". This was part of a press campaign mounted by the mines to "educate" public opinion and governments both in South Africa and in Britain on the detrimental effects of political uncertainty and especially on the need to reduce mining costs. HE 90, Lionel Phillips to J. Wernher, 23 July 1906.

10 On the politics of this period see A.H. Duminy and W.R. Guest (eds.), FitzPatrick (Johannesburg, 1976), Pt. 2; W.K.Hancock & J. van der Poel (eds.) Selections from the Smuts Papers, vol II, (Cambridge, 1966) Pt.7; M. Fraser and A. H. Jeeves (eds.), op.cit., Section 3.

11 South African Mines, Commerce and Industries, 20/1/06.

12 HE 152, Lionel Phillips to J.Wernher, 10/3/06.

13 HE 152, Lionel Phillips to J.Wernher, 24/12/06.

14 M.Fraser and A.H.Jeeves(eds.),op.cit.,L.Phillips to J.Wernher, 28/1/07.

15 HE 134, S.Evans to F. Eckstein, 25/2/07.

16 HE 152, L. Phillips to J. Wernher, 18/3/07. In 1906, The Chamber installed a mining industrialist named de Jongh as President. They hoped that his Dutch name "might save us something at the hands of the Liberal government", but as Phillips laconically later noted, it did not seem to have had "much effect". Ibid., 11/2/07.

17 HE 144, J. Wernher to Lionel Phillips, 5/1/06.

18 On the interview see HE 144, J.Wernher to L. Phillips, 5 January 1906 and A.H. Duminy and W.R.Guest (eds.), op. cit., J. Wernher to J.P. FitzPatrick, 6/2/06, pp. 420-1.

19 A.H. Duminy and W.R. Guest (eds.), op. cit., J.Wernher to J.P. FitzPatrick, 23/2/06, pp. 422-3.

20 Ibid., 423, italics in original.

21 At the climax of the election campaign, FitzPatrick, who was deeply committed against Het Volk and the Nationalists, asked permission to make the interview public as a means of discrediting Smuts. Wernher declined to permit this possibly dishonourable breach of confidence. He was also taking a longer less romantic view politically than his fiery colleague. See HE 152, Lionel Phillips to J.Wernher, 28/1/07.

22 See A.H. Duminy & W.R. Guest (eds.), op. cit., HE 152, Lionel Phillips to J. Wernher, 10/3/06.

23 Ibid., emphasis original.

24 A.H.Duminy and W.R. Guest (eds.), op. cit.,J. Wernher to J.P. FitzPatrick, 23/2/06, pp. 422-3.

25 W.K.Hancock, Smuts (2 vols.), Vol. I: The Sanguine Years (Cambridge 1962), 224-5. amd Smuts speak at Middelburg, reported in the Johannesburg Star, 17/12/06.

26 Johannesburg Star, 15/12/06, leader on "Creswellism".

27 HE 252/136/708, Chamber circular 22/05, 1/9/05; PM 35, 73/9/07, Acting Secretary to the Prime Minister to the Secretary of the Chamber of Mines, 28/3/07.

28 Transvaal Leader, 3/5/07 and the Johannesburg Star, 2/5/07, extracted in C.O. 879/94/866, pp. 110-115.

29 C.O. 879/94/866, Selborne to Elgin, 6/5/07, no. 86, pp.108-110.

30 W.K. Hancock and J van der Poel (eds.), op. cit., II, to J.X. Merriman, 5/5/06, pp. 270-272.

31 Cf. R. Davies, "Mining Capital, the State and Unskilled White Workers in South Africa, 1901-1913", Journal of Southern African Studies, III (1976), p.43.

32 Standard and Diggers News, November, 1898 - March 1899, passim.

33 The most complete statement of Creswell's thinking at this time is in The Majority Report of the Mining Industry Commission (Pretoria, T.G.1, 1908) /hereafter MICMR/ A concise statement of his views on the eve of the 1907 election is his letter published in the Transvaal Leader, 15/12/06.

34 MICMR, p. 115

35 Ibid.

36 R.Davies, Capital, State and White Labour in South Africa (Sussex, 1979), pp. 62-65; F.A. Johnstone, Class, Race and Gold (London, 1976), 26-48.

37 MICMR, p. 115

38 MICMR,pp. 29-30

39 W.K.Hancock and Jean van der Poel (eds.), op. cit., II, Smuts to J.X. Merriman, 10/4/67, pp. 338-339.

40 Transvaal Legislative Assembly Debates, statement by J. de Villiers, 30/7/08 column 1277; and ibid., statement by J.P. FitzPatrick, column 1286.

41 C.O. 879/94/866, encl. in no. 96, p. 133.

42 The government estimate is in C.O. 879/94/866, encl. 1 in no. 98, p. 137; Reyersbach's estimate is deduced from his statement during an interview with the Prime Minister, PM 36, "Report on an Interview...", 7/6/07.

43 HE 153, Lionel Phillips to J. Wernher, 13/5/07.

44 See Transvaal Leader, 5/12/06 and Robinson's letter in the Johannesburg Star, 22/12/06.

45 M.Fraser and A. Jeeves (eds.), op. cit., Letters 79, 86, 90 and HE 153, L. Phillips to J. Wernher, 13/5/07.

46 HE 254/149/977, G.E. Webber to H.Eckstein and Co., 27/4/08; HE 254/149/981 and passim.

47 Lionel Phillips wrote to London during the Strike that "the Dutchmen" are "flocking in" to the mines. After the trouble ended, there would be "no places for known agitators" and "a good many others" would find their places filled. HE 154, Lionel Phillips to J. Wernher, 25/5/07.

48 South African Mines, Commerce and Industries, 8/6/07 and Transvaal Leader, 1/6/07, summarized Ross Browne's Report. He spent about twenty months in South Africa between January, 1904 and September, 1905.

49 On the pay limit see F. Wilson, Labour in the South African Gold Mines (Cambridge, 1972), pp. 39-40.

50 HE 252/136/692, H. Eckstein and Co. to Wernher, Beit and Co., 9/6/05. For views in the industry generally see Johannesburg Star, 30/5/07 and 23/10/07, reporting respectively the views of George Albu, head of General Mining and the Mining Engineer, G.A. Denny.

51 HE 90, Lionel Phillips to J. Wernher, 3/9/06.

52 See F.A. Johnstone, op. cit., 93-149.

53 HE 154, Lionel Phillips to Julius Wernher 16/11/08.

54 HE 154, Lionel Phillips to F.Eckstein, 13/4/68.

55 HE 90, Lionel Phillips to J. Wernher, 3/9/06.

56 Reported in the Johannesburg Star, 30 May 1907.

57 HE 253/148/927, Memorandum on "Unionism" by W.L. Honnold, 7/6/07.

58 HE 253/148/932, "Notes on Labour Reorganization on the Rand", by W. L. Honnold, 21/6/07.

59 HE 252/136/650, Lionel Phillips to F. Eckstein, 5/3/05. See D.Denoon, A Grand Illusion (London, 1973), pp. 127-158 and P. Richardson, "Coolies and Randlords...", Journal of Southern African Studies, II (1976).

60 F.A.Johnstone, op. cit., Pt. 2.

61 S. van der Horst, Native Labour in South Africa (London, 1971, 2nd ed.)pp. 191-2.

62 R.Davies, "Mining Capital and the State...", p. 44.

63 N.G.Garson, " 'Het Volk' : the Botha-Smuts Party in the Transvaal", Historical Journal, 9 (1966), p. 110.

64 HE 154, Lionel Phillips to J. Wernher, 16/3/08.

65 R.Davies, "Mining Capital and the State...", p. 60 and his Capital, State and White labour, pp. 61 and 89 n. 42 and p. 141 n. 122.

66 HE 152, Lionel Phillips to J. Wernher, 30/7/06, his emphasis. See also 7/8/06 and 11/8/06 in the same letterbook and in HE 90, same to same, 3/8/06.

67 HE 152, Lionel Phillips to J. Wernher, 25/2/07.

68 Ibid.

69 Johannesburg Star, 10/5/07.

70 HE 253/148/24. Notes of meeting of mining deputation with General Botha, in London, 6/5/07.

71 The numbers of recruits began to increase dramatically early in 1907 and was attributed to depression in other sectors of the economy, to crop failures in the northern Transvaal and Swaziland and to certain developments in Portuguese Gazaland which made many Africans "feel that they will be safer on the Rand than in their own country". Given death rates on the mines at this time, the last factor was testimony either to African optimism or to Portuguese savagery. HE 134, S. Evans to F. Eckstein, 14/1/07; and HE 253/148/889, H. Eckstein and Co. to Wernher, Beit and Co., 14/1/07.

72 HE 152, Lionel Phillips to J. Wernher, 19/4/07.

73 Transvaal Legislative Assembly Debates, statement by J. Rissik, 18/6/07 cols. 122-5; 13/8/07. 2251; 15/8/07, col. 2387.

74 On Transvaal government policy toward Nyasaland labour see ibid. and Johannesburg Star, 19/6/07. Partly owing to the intercession of the Botha government, the Imperial authorities sanctioned a second "experiment" with Nyasaland labour in 1907.

75 Lionel Phillips addressing the annual meeting of the Village Main Reef GMC in London, 15/7/07, reported in the Johannesburg Star, 16/7/07; J. Wernher's speech to the annual meeting of the Central Mining and Investment Corporation, Ltd. in London, reported in the Star, 7/8/07.

76 HE 152, Lionel Phillips to J. Wernher, 19/4/07.

77 Ibid.

78 HE 152, Lionel Phillips to F.Eckstein 19/4/07.

79 Transvaal NAD, Report, 1907/8 (TG 8 - '09), p. 11.

80 Transvaal Legislative Assembly Debates 14/6/07, cols. 49-54. Also GNLB, 206, 1705/14/D110, Papers on formation of the Government Native Labour Bureau. On the collapse of WNLA, see A.H. Jeeves, "The Adminstration and Control of Migratory Labour on the Transvaal Gold Mines in the Era of Kruger and Milner", Journal of Southern African Studies, II (1975), pp. 19-28.

81 C.O. 879/94/867 Minute by Transvaal Ministers, 29/5/07, enclosure I in no. 84, p. 83-4.

82 SNA 3875/1910, "Constitution and Rules and Regulations of the'Rhodesian Native Labour Bureau', Government Notice 169 of 1906, 19/7/06.

83 NTS, 182, H.L. Phooke to J.X. Merriman, 10/1/08.

84 SNA, 82/07, Government Notice 1063, 1907, Amendments to Labour Agents' Regulations. See also CO 879/94/867, encl.1 in no. 84, pp. 83-4.

85 Transvaal Legislative Assembly Debates, J. Rissik statement, 1/8/07, cols. 1882-1885.

86 HE 253/134/822, H. Eckstein and Co. to Wernher, Beit and Co., 30/6/06.

87 HE 253/134/790. See also HE 253/134/807, H. Eckstein and Co. to Wernher, Beit and Co., 11/6/06. A case study of competitive conditions in Pondoland is W. Beinart, "Joyini Inkomo: Cattle Advances and the Origins of Migrancy from Pondoland", Journal of Southern African Studies, V(1979), pp. 199-219, esp. pp. 206-212.

88 HE 90, H. Eckstein and Co. to Wernher, Beit and Co., 20/8/06.

89 HE 134, Lionel Phillips to F. Eckstein 22/10/06.

90 South African Mines, Commerce and Industries, 25/8/06.

91 Official figures for January, 1907 showed 148, 076 unskilled labourers on the mines: 94,221 blacks and 53,856 Chinese. Transvaal Legislative Assembly Debates, J.de Villiers Statement, 30/7/08, col. 1277.

92 NTS 191/596 /SNA file 3625/1907/. "Memorandum on the Unskilled Labour Question" by F. Perry, 27/5/07.

93 SNA, 989/1906, J.B. Robinson to General L. Botha, 11/3/07 enclosure in Acting Secretary to the Prime Minister to Secretary of Native Affairs, 28/3/07.

94 Minute by Cape Ministers, 1/754 of 13/12/05, cited in PM 35, 73/04/07.

95 Ibid., Minute by G. Lagden on Cape minute cited.

96 Minute by Cape Ministers 1/116, 19/2/1907, see NTS 181. On the private views of officials, see, for example, W.E. Stanford to L.S. Jameson, 21 March 1907, in NTS 181/473/3651.

97 PM 35, 73/04/07, Secretary to Prime Mininster to Secretary for Native Affairs, 28/03/07.

98 NTS 181, Cape Minute 1/116 of 19/2/07.

99 NTS 181, Minute by L.S. Jameson for the Governor, 13/5/07.

100 NTS 181, F. Sparg, Indutywa to Messrs. Malcomess and Co. (copy), 17/4/07; W.H. Fuller to Col. Crewe, M.P., 20/4/07; "Tembu" to "Natives" Cape Town, 23/4/07 (telegram); same to same, 24/04/07; East London Chamber of Commerce to Jameson, 24/04/07; "Griqua" to " Natives", Cape Town, 26/04/07 (telegram); E. Dower to Secretary, East London Chamber of Commerce, 25/5/07.

101 NTS 181, Minute by Louis Botha for the Governor, 11/6/07.

102 NTS 181, W. Stanford (Johannesburg) to "Natives", Cape Town, 5/4/07 (confidential, telegram).

103 NTS 181, /SNA file 87/1907/, "Memorandum of Native Labour Scheme...", 20/6/07.

104 HE 252/136/646, L. Reyersbac to J. Wernher, Beit and Co., 20/2/05; see also 252/736/652. same to same, 6/3/05. The evidence in the second letter suggests that the estimates of the labour needs of the mines given to the Transvaal Labour Commission in 1903 resulted not, as is usually argued, from a deliberate effort to mislead the Commission but rather from the competitive inflation of mine complements which the WNLA system produced. WNLA adopted revised complements in April, 1905 which at a stroke reduced total labour needs by 23,000 men. The mines simply resumed the inflation from the new, lower base. HE 252/136/656, H. Eckstein and Co., to Wernher, Beit and Co., 10/4/05.

105 HE 144, J. Wernher to L. Phillips, 31/7/08 (Private).

106 SNA 1615/1907, by April the mines were apparently unable to provide work for several hundred Africans on hand in the Braamfontein depot. See also HE 253/148/901, H. Eckstein & Co., to Wernher, Beit and Co., 4/2/07; HE 253/148/911, H. Eckstein and Co., to Wernher, Beit and Co., 8/4/07 which indicate that WNLA was having trouble "disposing" of Cape recruits. The association finally waived the recruiting charges in order to induce the mines to take them.

107 On the registry offices see PM 35, 73/4/09, J. Rissik to J.X. Merriman, 10/3/10; and SNA, 683/10.

108 Report of the Native Grievances Inquiry (Pretoria, UG 37, 1914), p. 85, paras 642-644.

109 SNA 4317/07, passim; C.O. 879/94/837, enclosure "B" in no. 84, pp. 89-90.

110 See S. Marks, Reluctant Rebellion, the 1906-08 Disturbances in Natal (Oxford, 1970), ch. XII.

111 In December, 1907, the Transvaal government secured unanimous agreement from the other South African colonies for the re-establishment of such an agency. Because it was poorly supported the original deposit and remittance agency had closed in 1906. C.O. 879/94/866, Selborne to Elgin, 9/12/07, no. 118, p.114.

112 SNA 496/08, Transvaal Chamber of Mines, Report of the Executive Committee for 1907, p. vii.

113 Johannesburg Star, 19/9/07.

114 The figures are as follows: for 1908 - Cape, 28,532 - Natal & Zululand, 7,289; for 1909 - Cape, 42, 941 - Natal, 11,366. GNLB 265, 568/16/D243; Territorial Analysis of Natives in Proclaimed Labour Districts of the Transvaal.

115 See the extensive report on recruiting abuses in the Cape Times, 19/11/09.

116 W. K. Hancock and J. van der Poel (eds.), op. cit., II, Pt. VIII; P. Lewsen (ed.), Selections from the Correspondence of J.X. Merriman, IV (Cape Town, 1969), Ch. III; M. Fraser and A. Jeeves (eds.) op. cit., section 3.

117 "Closer union is necessary, if only to take control of the immense native population out of the hands of the handful of incompetent people in Natal...." HE 154, Lionel Phillips to F. Eckstein, 12/10/08 and passim in this volume.