



UNIVERSITÀ
DEGLI STUDI
DI PADOVA

Università degli Studi di Padova

Dipartimento di Studi Linguistici e Letterari

Corso di Laurea Triennale Interclasse in
Lingue, Letterature e Mediazione culturale (LTLLM)
Classe LT-12

Tesina di Laurea

The South African gold mines: exploitation and socio-economic impact, 1870-1910

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n° matr.2015259 / LTLLM

Anno Accademico 2022 / 2023

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INTRODUCTION

The present study explores how the development of the mining industry in South Africa impacted the country's economy and society. The dissertation covers a period of approximately 40 years, from the first diamond discoveries in the 1870s to the Natives Land Act of 1913, which laid the foundations for the apartheid, a policy of racial segregation that would dominate South Africa from 1948 to 1991.

The study aims to understand what role the gold mining industry played during some of the most crucial events in South Africa's history, such as the Anglo-Boer War against Britain. In particular, the study reports the debate concerning the reasons that led Britain to fight so violently for the control over South Africa, in an attempt to understand which interests determined the outbreak of the conflict.

A major part of the dissertation is dedicated to native population of South Africa, and to the to exploitation and segregation that they experienced. Complex racial dynamics have characterized South Africa for decades, and the apartheid system has become known worldwide. Many historians have extensively analysed and condemned it; however, there seems to be a lack of research regarding the context that prepared the ground for its institution. Thus, this dissertation examines the racial discrimination present in South Africa in the nineteenth century, and tries to understand the reasons behind this phenomenon.

The dissertation is divided into three chapters, each delving into different periods of South African history. The first chapter begins with a description of the discovery of diamonds in the 1870s and the development of the diamond industry, the first form of capitalistic industry in the country. The chapter continues by describing the exploitation of African workers in the mines, reporting that Africans were more profitable than white workers because the racist ideologies of the time justified their cheaper wages. The local government supported this exploitation by introducing pass-laws, a series of legislations aimed to restrict the freedom of African workers. The second part of the chapter explores the evolution of the gold mining industry, focusing in particular on its transition to deep-level mining, which transformed it into a large-scale industry. The dissertation examines the impact of gold mining on the local economy and at a global level. In particular, it focuses on the way the Transvaal gold favoured the functioning of

the gold standard exchange, and on how it increased Britain's international economic power. The chapter also explores the negative impact of gold mining on the South African native population, describing how Africans were forced to work in the gold mines through coercive methods and discriminatory policies.

The second chapter focuses on two major events that occurred in South Africa at the turn of the 19th and 20th century: the Jameson Raid and the Anglo-Boer War. The chapter tries to explore the connections between these two political and military actions and the gold mining industry. In particular, it shows how the Jameson Raid and the war were attempts to annex South Africa to the British Empire, and how this annexation would have benefitted not only Britain's imperial interests but also the capitalist interests of the mining leaders. The final part of the chapter is dedicated to some aspects of the Anglo-Boer War that have been historically overlooked. The study examines the involvement of indigenous Africans in a war that was essentially disconnected from their interests, despite being fought on their native land, reporting how natives were used by both the Boers and the British during the conflict, only to be marginalized and deprived of political rights after the war. Moreover, the chapter highlights the war experience of Boer civilians, who lost their houses and suffered in "concentration" camps built by the British.

The third and final chapter explores the post-war period in South Africa, focusing on the British government's attempt to reconstruct the country's economy and create a united South Africa under the British Empire. In the first part, the chapter delves on the cooperation between state and gold mining industry and examines the segregationist policies in the mines introduced by the state, policies that spread to the South African countryside. The second part of the chapter examines the political and social dynamics that led to the creation of the South African Union in 1910, a political unification that healed the relationship between the Boers and the British but completely excluded Africans from the country's political life. The dissertation concludes with an analysis of the Natives Land Act, the first major segregation law in South Africa, reporting the political background that made the passage of this Act possible and the devastating consequences it had on the African population.

CHAPTER 1: THE EXPLOITATION OF THE SOUTH AFRICAN MINES

1.1 Kimberley's diamond mines

For centuries, European and Arabic navigators travelled along the coasts of Africa in search of the minerals and gold that this continent was known to have. Thus, the discovery of diamonds in southern Africa in 1867, followed shortly by the gold discoveries of 1886, caught the industrialized world's attention.¹

The diamonds were initially found in scattered deposits in the South African region of Kimberley, along the banks of the Harts and Vaal rivers. Soon after there was the discovery of four huge open-pit diamond pipes - Kimberley, De Beers, Dutoitspan and Bultfontein - which required more than just groups of independent workers: mechanical equipment replaced the primitive method of hand-sorting, and mining companies implemented and regulated the construction of roads, stores and offices, as well as residences for the workers.²

Moreover, the mid-1870s saw the foundation of mining boards, which were committees composed of the representatives of the mining companies. They enforced laws on sanitation, abandoned mining claims, and sites for machinery. They also maintained control over the mines' organization and provided immediate services for the workers. Gradually, these mining boards "took over many of the functions of local government in the Mining Area and prepared the way for the legislative consolidation"³. The components of the boards ranged from company directors and financiers to local politicians, and together they ran the boards as "quasi-governmental bodies"⁴. Thanks to the mixture of managerial, financial, legal and political experience among the members, the boards became a powerful group at Kimberly, with the means to influence smaller companies and the municipality.⁵

In 1880, seven founding directors merged their companies into a single dominant enterprise, De Beers Consolidated Mines Limited, which monopolized the diamond

1 F. Wilson, "Minerals and Migrants: How the Mining Industry Has Shaped South Africa", *Daedalus* 130 : 1 (2001), pp. 1-2.

2 C. Newbury, "Technology, Capital and Consolidation: The Performance of De Beers Mining Company Limited, 1880-1889", *The Business History Review*, 61 : 1 (1987), pp. 1-3.

3 Ivi, p. 4.

4 Ivi, p. 5.

5 Ibid.

industry for a decade and continued to influence it later.⁶ The company was founded by Cecil Rhodes, mainly to manage the flow of diamonds from South Africa to the industrialized world. For centuries, diamonds had been extremely rare, which made them a luxury product. However, if their presence became too prevalent, they would lose their association with luxury and their demand would fall. To not let this happen, the DeBeers Mining Company acquired the supplies of diamonds in excess and stockpiled them instead of putting them on the market.⁷

In 1873, Rhodes had formed the Diamond Syndicate, which required distributors to exclusively buy diamonds from the DeBeers company and sell them only in certain amounts and with certain prices, previously agreed upon. By 1890, Rhodes controlled Kimberley's major mines and all the distribution channels.⁸

The companies formed in the 1880s maintained some characteristics from the first stages of mining development in Kimberley, such as an autonomous management of the local government and the absence of heavy taxation.

Overall, the diamond industry tripled the wealth at Cape Colony from 1871 to 1885, doubled its population, and expanded its railway system. Between the 1870s and 1880s it generated a \$40 million profit.⁹

1.1.1 Southey's government

After their annexation to Great Britain in 1871, the diamond fields were put under the control of a lieutenant governor, Richard Southey, from 1873 until 1875, when the diggers revolted against his poor administration and the rigid regulations.¹⁰ According to De Kiewiet, the revolt marked the beginning of the first industrial society in South Africa. Merchants, whose interests until then had dominated the South African economy, were replaced by a class of industrialists, with different economic interests and different attitudes towards natives.¹¹

⁶ C. Newbury, "Technology, Capital and Consolidation: The Performance of De Beers Mining Company Limited, 1880-1889", *The Business History Review*, 61 : 1 (1987), p. 2.

⁷ D. L. Spar, "Markets: Continuity and Change in the International Diamond Market", *The Journal of Economic Perspectives*, 20 : 3 (2006), p. 198.

⁸ Ibid.

⁹ C. Newbury, "Technology, Capital and Consolidation: The Performance of De Beers Mining Company Limited, 1880-1889", *The Business History Review*, 61 : 1 (1987), p. 1.

¹⁰ Ivi, p. 3.

¹¹ R. Turrell, "The 1875 Black Flag Revolt on the Kimberley Diamond Fields", *Journal of Southern African Studies*, 7 : 2 (1981), p. 195.

Before the revolt, merchants benefited from small-scale production in the mines and from the incorporation of part of the African population in the economy, as it expanded the commodity market. They were called “friends of the natives” because of their liberal beliefs, but these beliefs depended on their economic interests. The government supported their interests through a liberal policy, which involved the participation of part of the African population in the political life, and the protection of the rights of Africans to own claims.¹²

Southey supported independent diggers against mining companies because he believed that a British company monopoly would transfer the profits to foreign shareholders instead of keeping them in the country. So, under his government an individual, firm or company could own a maximum of ten claims.¹³

But with the discovery of diamonds South Africa became a capitalist industrial society, whose aim was purely the production of diamonds. Consequently, merchant capital lost its independence and became a part of the cycle of industrial production. Industrialists had no interest in expanding the market but aimed to produce diamonds with the most possible gain. This change of capital was followed by a change of labour. The new industrial society required cheap labour and thus “demanded the control of the large black working class”¹⁴.

Therefore, the change in production generated a set of different economic interests, which in turn transformed liberal policies into increasingly racist ones.¹⁵

By the time of the rebellion, the Kimberley population had increased rapidly, counting 6 thousand whites and 15-18 thousand Africans. Only 57 men and women owned claims on the diamond fields. Most laborers worked for wages and came from rural conditions. They stayed on the fields for six months, arriving in spring and leaving for home at the beginning of winter. Not all Africans were servants: some of them were claimowners, others worked permanently at the mines as mechanics, carpenters, or barmen. Overall, the division of labour was not based on race, since “colour runs so

¹² R. Turrell, “The 1875 Black Flag Revolt on the Kimberley Diamond Fields”, *Journal of Southern African Studies*, 7 : 2 (1981), p. 196.

¹³ Ivi, p. 195.

¹⁴ Ivi, pp. 196-197.

¹⁵ Ivi, p. 196.

gradually from white into black that it is difficult to detect the point at which white leaves off and black begins”¹⁶, but Europeans did receive higher wages.¹⁷

Besides claimowners and wage workers, there was another group of people working on the mines: share-workers. After 1872 it became common for claimowners to subcontract the work on their ground to share-workers, who would organize production and take a percentage of the profit. In theory, these contracts reduced the risks and responsibilities of the owners and allowed share-workers to make profits freely, without being restricted by wage labour. In practice, share-workers didn't have any representation on the mining boards, and thus were subjected to exploitation.¹⁸

The tensions between owners and share-workers worsened the year before the rebellion, when it was believed that share-workers, especially black ones, were selling diamonds on the illicit market. As a result, racist acts against servants, both wage laborers and share-workers, became more frequent and intense.¹⁹ Dr. Matthews, a digger and a member of the Parliament, said that:

A great deal of animosity towards the natives existed about this period. Part of this feeling was originated, I think, from many white men not possessed of claims being jealous of their black brethren digging at Dutoitspan and Bultfontein, while the facility for dealing in diamonds, afforded by their possessing a digger's license, was also a factor in the ill-will felt and expressed.²⁰

In this new economic and political context, Southey's support for small-scale producers and his defence of African rights created dissatisfaction among the claimowners, which culminated in the rebellion of 1875. According to de Kiewiet, the revolt ended both these policies, “consigning Africans to the status of labourers and determining that the mines would be controlled by 'organised capital'”.²¹

1.1.2 The pass-laws system

¹⁶ DN 1 June 1875, Leader, quoted by R. Turrell, “The 1875 Black Flag Revolt on the Kimberley Diamond Fields”, *Journal of Southern African Studies*, 7 : 2 (1981), p. 195.

¹⁷ R. Turrell, “The 1875 Black Flag Revolt on the Kimberley Diamond Fields”, *Journal of Southern African Studies*, 7 : 2 (1981), pp. 199-201.

¹⁸ Ivi, pp. 201-203.

¹⁹ Ivi, p. 203.

²⁰ Inewadi Yami (London 1887) p. 209, quoted by R. Turrell, “The 1875 Black Flag Revolt on the Kimberley Diamond Fields”, *Journal of Southern African Studies*, 7 : 2 (1981), p. 204.

²¹ R. Turrell, “The 1875 Black Flag Revolt on the Kimberley Diamond Fields”, *Journal of Southern African Studies*, 7 : 2 (1981), p. 195.

In order to better control black labour, whites introduced the pass-laws system, the first major colour-bar legislation in South Africa, which aimed to reduce illicit diamond trading.²²

As previously stated, from the beginning, black workers were accused of stealing diamonds. If caught they were kicked out of camp, frequently after some kind of physical punishment.²³

When in 1871 the government decided to allow coloured people to dig for diamonds, diggers expressed their dissent.²⁴ They thought that licenses for claims shouldn't be granted to natives because it would facilitate the theft of diamonds and because natives "would spend their money in liquor, and frequent crimes and disturbances would be the result"²⁵. The desire to ban natives from owning licenses also came from the belief that whites had more civilized values, and thus could not compare with natives as diggers.²⁶

In the following year the government, although refusing to prohibit Africans from owning licenses, approved a series of acts which pandered to the desire of white diggers. At first it was declared illegal to serve alcohol to servants without the written consent of their masters in order to maintain public peace, because it was common to blame Africans for the whites' excessive drinking.²⁷

However, a shortage of labour and a decrease in the findings of diamonds maintained the state of unrest, resulting in the decision to suspend licenses for Africans unless the applicant could supply a certificate of character from the diggers' committee. The Proclamation number 68 then required Africans to have a pass in order to seek work, another after obtaining employment, and another to leave the fields. The last two passes came with a fee of one shilling. Moreover, a curfew was set at 9 o'clock in the evening only for black workers. These legislations merely gave officiality to already common practices. In particular, the proclamation number 14 of 1872 included all

²² J. Smalberger, "The Role of the Diamond-Mining Industry in the Development of the Pass-Law System in South Africa", *The International Journal of African Historical Studies*, 9 : 3 (1976), p. 419.

²³ Ivi, p. 420.

²⁴ Ivi, p. 421.

²⁵ Diamond News (17 Jan. 1872), quoted by J. Smalberger, "The Role of the Diamond-Mining Industry in the Development of the Pass-Law System in South Africa", *The International Journal of African Historical Studies*, 9 : 3 (1976), p. 421.

²⁶ J. Smalberger, "The Role of the Diamond-Mining Industry in the Development of the Pass-Law System in South Africa", *The International Journal of African Historical Studies*, 9 : 3 (1976), p. 423.

²⁷ Ivi, p. 426.

diggers' regulations. Africans were not prohibited from asking for licenses, but with this proclamation all claimowners had to possess a certificate of good character from a magistrate or a judge, who was likely to write it for white diggers rather than black ones.²⁸

Smalberger argued that "government as well as diggers profited from the new legislation, as pass-law victims provided a source of income and a source of labour."²⁹

To appeal to British authorities these proclamations did not contain any mentions of race and were camouflaged as class-legislations. But since class and colour concurred together, the pass-law system was in fact racist in its application and intention.³⁰

1.2. The gold mines on the Witwatersrand

Between 1849 and 1898 a series of gold discoveries interested many areas of the world, mostly North America, Australia, Asiatic Russia, and southern Africa.

With these discoveries the global gold production increased dramatically, which meant a rise in the gold output and a decrease in the silver output. The result was a currency revolution: the industrializing world abandoned silver as the basis of its currency and, following England's example, adopted a gold exchange standard. In the gold standard coins were interchangeable with notes, and banks maintained this interchangeability by having a gold reserve. Every country set a specific ratio, which was stable but flexible, between its stock of money and its gold reserve.³¹

All the newly mined gold facilitated the working of the gold standard, as it expanded the countries' gold reserves and eased the international liquidity problems without the dangers of inflation.³²

Of all the gold discoveries of the nineteenth century, the South Africa gold fields were the ones who provided the most output of gold. By the 1910s the Transvaal colony, which included the region of Witwatersrand and other minor gold fields, had become the largest producer of gold internationally.

²⁸ J. Smalberger, "The Role of the Diamond-Mining Industry in the Development of the Pass-Law System in South Africa", *The International Journal of African Historical Studies*, 9 : 3 (1976), pp. 430-433.

²⁹ Ivi, p. 432.

³⁰ Ivi, p. 433.

³¹ J.J. Van Helten, "Empire and High Finance: South Africa and the International Gold Standard 1890-1914", *The Journal of African History*, 23 : 4 (1982), pp. 532-533.

³² Ivi, p. 532.

Before the gold discoveries, South Africa was still a small and agricultural country, although slowly developing through the diamond industry. In the 1860s the first scattered gold deposits were found, but it was only after 1886, when the Witwatersrand main reef was discovered, that the development of the gold production in South Africa started.³³

The Witwatersrand was a distant and inaccessible region, and the gold there existed in minute particles that needed to be extracted from a hard rock conglomerate. Moreover, “the gold extended from the surface to a depth of many thousand feet covering several hundred square miles of territory and, even in the richest sections, averaged a low ore content.”³⁴ The sole process of extraction of the rock required a heavy investment in machinery and development. The rock then had to be blasted with explosives, crushed, and treated chemically before gold could be extracted.³⁵

Many diamond capitalists, including Rhodes, rapidly invested in the mines and formed companies. The result of this rapid industrialization was a 4,000% increase in gold output between 1886 and 1889, which continued to increase until 1910.³⁶

The gold discoveries also coincided with the discovery of large deposits of coal in the regions of Transvaal and Natal. Gold and coal production, in addition to the diamond production that had already started, caused what is called a “mineral revolution” in southern Africa. Industrial capitalism developed rapidly through the mobilization of large numbers of African workers that provided cheap labour.³⁷

As a newly large-scale industry, it attracted a world-wide participation in supplying funds, provided by European countries. European investors were drawn to the South African gold industry by its unusual successes, even with the high risk of losing millions of pounds. Particularly in the first stage of development, when the country was poor of capital and the industry hadn't yet settled, it was England, France and Germany that raised much of the initial capital. Still,

³³ D.W. Gilbert, “The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910”, *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 553.

³⁴ Ivi, p. 555.

³⁵ Ivi, p. 556.

³⁶ Ivi, p. 557.

³⁷ P. Richardson, J. Van Helten, “The Development of the South African Gold-Mining Industry, 1895-1918”, *The Economic History Review, New Series*, 37 : 3 (1984), p. 321.

it is impossible to say how much of that obtained in the first months came from South African investors financed by South African banks and how much from the sale of shares in London, Berlin and Paris.³⁸

It can be estimated that, between 1886 and 1910, South African imports of capital from all sources reached 400 million, a moderate sum considering that during these years South Africa developed most of its railroad, built a modern city, Johannesburg, and opened dozens of copper, coal and gold mines.³⁹

1.2.1 Deep-level mining

Regarding the structure of the Witwatersrand gold fields, there were two different rows of mines, the outcrop mines and the deep-level mines, running parallel across the region. For the first few decades of the gold mining industry, mining companies extracted gold from outcrop fields, where gold was at surface level and required less equipment to be extracted. In the third decade of mining, however, many outcrop reserves had been mostly exhausted, which led to a rapid decline in outcrop production.

The gold mining industry changed with the exhaustion of the outcrop mines: in order to find gold, the mining companies had to dig deeper, to the deep levels. This required heavier and more expensive equipment, the construction of railroads from the Cape to the Transvaal, as well as much more capital. Despite these costs and the risks connected to it, deep-level mining was attempted and gradually became the norm in the Witwatersrand.⁴⁰

In 1908 the profits of the Central Rand were redirected to finance the development of new mines on the East Rand, which focused on deep-level mining. As a result, various companies disappeared or were absorbed by other companies. Between 1906 and 1911 a series of mergers on the Central Rand further reduced the number of producing mines and enlarged claim areas. This transformation occurred firstly to reduce costs and to reinforce existing assets rather than seeking out new higher risk business, but also to receive the economic advantages of having a group of mines under only one company. The amalgamation also resolved a situation in which, after a period

³⁸ D.W. Gilbert, "The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910", *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 565.

³⁹ Ivi, p. 562.

⁴⁰ Ivi, pp. 558-559.

of capital collapse in 1902-03, deep-level companies were left with little to no funds and had to find new sources of working capital.

In the period of 1902-18 companies committed to deep-level mining, not only on the Central and West Rand but also on the eastward extension of the Main Reef, known as the Far East Rand, which had been considered poor of gold until that moment.⁴¹

The shift to deep-level mining after 1902 had significant consequences. It changed the productive base of the mining industry, expanding the scale of production. “Large-scale industrial organization and financial criteria became the predominant forms of operations.”⁴² Between 1906 and 1910 there was a major increase in the number of stamps working and in the average output per stamp. Besides the increase of industrial equipment, the average claim area expanded. Moreover, between 1895 and 1914 the profits increased as working costs were cut ruthlessly.⁴³

The gold industry also saw an increase of internally generated funds: by the First World War, the new developments of the mining industry had resulted in a reduction of the companies’ dependence on capital from abroad. However, the industry still had to rely on foreign capital to fully develop new areas of mining ground.⁴⁴

Regarding company organization, companies institutionalized various functions that were formerly associated with individual speculators, in order to form a solid corporate group structure. Compared to the Kimberley diamond industry, which was practically monopolistic, the gold mines had a “highly centralized structure of ownership and control.”⁴⁵

In conclusion, we can say that, with deep-level mining, the scale of production enlarged due to the concentration of capital (the increase of profits) and its centralization, which happens when various groups take assets of other groups. But this highly concentrated and centralized form of capitalism was not solely generated from deep-level mining, given that for a long time deep-level mining continued to co-exist with outcrop mining, but also from other factors: state policies, technological changes,

⁴¹ P. Richardson, J. Van Helten, “The Development of the South African Gold-Mining Industry, 1895-1918”, *The Economic History Review, New Series*, 37 : 3 (1984), pp. 328-331.

⁴² Ivi, p. 334.

⁴³ Ibid.

⁴⁴ Ivi, pp. 334-336.

⁴⁵ F. A. Johnstone, “Class, Race and Gold: A Study of Class Relations and Racial Discrimination in South Africa” (1976), p. 14, quoted by P. Richardson, J. Van Helten, “The Development of the South African Gold-Mining Industry, 1895-1918”, *The Economic History Review, New Series*, 37 : 3 (1984), p. 337.

and the European financial institutions, as well as a continuous competition between mining groups to access new means of production.⁴⁶

1.2.2. The use of forced labour

The transition from outcrop mining to deep-level mining marked the beginning of a capitalist mining industry in the Witwatersrand mines.

With deep-level mining the South African gold industry stopped revolving purely around mining and became a primarily manufactured industry, with the necessity of big business rather than individual miners.⁴⁷

The heavy work on the Rand was performed by natives, who were paid a fraction of white workers' wages, while whites had access to positions requiring skill and judgment.⁴⁸

Everything in the South African development after the gold discoveries suggests a rise in money incomes. Higher incomes stimulate purchases of foreign products and provide a higher standard of living. In Australian mines laborers worked independently and earned the gold they could find as wages, but in South Africa this method was not possible: the mining business was of large scale, counting thousands of workers, many of them white, who had to be paid very well in order to work under hard conditions. The standard had already been set at the Kimberley diamond mines at 20 shillings for a ten-hour shift and could not be reduced in the gold mines.

Giving high wages to all the laborers would have been destructive for the industry. What made the Rand mines develop was the fact that black workers could be employed for 50 shillings per year, of which 20 was in food and housing. Thus, "It is indisputable that the mines were saved by the services of a non-competing group of black workers."⁴⁹ And since white workers could not compare with natives as laborers, they easily found work as masons, carpenters, engineers, metallurgists, and received a higher reward.⁵⁰

⁴⁶ P. Richardson, J. Van Helten, "The Development of the South African Gold-Mining Industry, 1895-1918", *The Economic History Review, New Series*, 37 : 3 (1984), p. 338.

⁴⁷ Ivi, pp. 337-338.

⁴⁸ D.W. Gilbert, "The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910", *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 556.

⁴⁹ Ivi, p. 579.

⁵⁰ Ivi, pp. 578-579.

With the increase of prices after the new gold, “white and colored laborers came to the gold fields from great distances, increasing the difficulty of getting help in other parts of the country and driving up wage rates and money costs of production.”⁵¹

Wages in South African mines were higher than the US, Australia and any European country. Africans received relatively high wages, spurring them to abandon agriculture and other occupations to go work at the mines. However, the cost of living in the Transvaal was very high, and wages were spent on domestic goods consumption. So, working in the mines was not profitable for natives by any means.⁵²

In order to increase the number of African workers and have the maximum exploitation of the mines, the Europeans used coercion and force.

It is safe to say that forced labour in the region of Witwatersrand appeared with the opening of the gold mines in the 1880s, and by 1910 it had developed into a system involving hundreds of African workers, who had to abandon their agricultural life to become wage laborers in the mines.

The Europeans in the Transvaal needed to recruit a large number of cheap laborers in order to extract gold in a profitable way. A method they used consisted in the imposition of taxes on the Africans, only payable in cash. Another was the rural impoverishment of the African population using punitive raids and wars, which destroyed Africans’ farms and food supplies and took numerous lives.⁵³

A special European commission also delimited native locations, forcing Africans to stay in less fertile and smaller lands, which they traditionally occupied. An address delivered in 1881 read as follow:

The Commission will delimit Native locations which the great Native tribes will be able to occupy in peace. In the delimitation of these locations, existing rights will be strictly preserved; and the Transvaal government on the one hand, and the Native tribes on the other, shall respect on all occasions, the boundaries so determined.⁵⁴

No adequate land had ever been provided for Africans and there was no effort in helping their agricultural development. Plus, another regulation prohibited them to acquire land in their own name, and other methods such as “squatting” and “kaffir

⁵¹ D.W. Gilbert, “The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910”, *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 580.

⁵² Ivi, pp. 582-583.

⁵³ M. Moeti, “The Origins of Forced Labor in the Witwatersrand”, *Phylon*, 47 : 4 (1986), p. 276.

⁵⁴ Ivi, p. 277.

farming” contributed to force natives to pay rents, taxes and licenses to the European owners of the land. Thus, “those who had been dispossessed of their land had only the capitalist economy to turn to for a livelihood.”⁵⁵

A policy of the Superintendent of Natives also officially exhorted Africans to work in the mines, diverting Africans unnaturally from agriculture to industry.⁵⁶

Although the Africans had worked in the Witwatersrand mines centuries before the advent of the Europeans, the mining area was completely taken away from them and exploited. But since thousands of Africans were forcibly employed in the mining industry every year, their number in the mines increased from 15,000 in 1889 to 97,000 in 1899. They were recruited from all over southern Africa to work in Southern Rhodesia and South African mines, initially with the use of physical force and after 1910 with mine contracts.

As stated before, taxes were the preferred form to indirectly force natives to work as laborers. They ranged from hut taxes to horse taxes and were all payable only in cash, which was only obtainable through labour.⁵⁷

Shortly before the twentieth century a poll tax was also integrated: all male Africans with ages between fifteen and eighty years were required to pay the equivalent of two months of annual labour, otherwise they were sentenced to jail.⁵⁸

The aim was to “create artificial needs for money, thereby forcing reluctant and unwilling Africans to seek labour in the mines, on the European farms and plantations, or in the towns, or else to take up cash cropping.”⁵⁹

Especially in the first stage of the gold mining industry, labour conditions were the worst: natives were taken away from their rural lifestyle and distributed to functionaries or private parties, many of them did not receive their expected wages, or were not allowed to leave the mines even after the completion of their contract. Liquor bars run by European merchants sold Africans cheap liquor in order to get them drunk enough to be captured and forcibly employed. There were no accident or life insurances for Africans, nor medical care and sanitary housing, causing the natives’ mortality rate to be the highest in the mines.

⁵⁵ M. Moeti, “The Origins of Forced Labor in the Witwatersrand”, *Phylon*, 47 : 4 (1986), p. 282.

⁵⁶ Ivi, p. 277.

⁵⁷ Ivi, pp. 279-280.

⁵⁸ Ivi, p. 282.

⁵⁹ Ivi, p. 279.

Even after some years the Europeans in the Witwatersrand continued to rely on labour since the market for mechanisms remained underdeveloped. In 1893 the owners of different gold mines established a mine-labour recruiting agency, later called the Witwatersrand Native Labor Association (WNLA), which recruited Africans from all over the country.⁶⁰

Overall, the system of forced labour led to the rise of a marginal and poor African working class, unable to profit off their very low wages. Consequently, the local African market remained extremely weak.

In 1892 the African leaders tried to enforce better labour conditions and an equal wage payment, as well as better transportation. Despite their efforts to eliminate discrimination the system of forced labour continued, and since manual labour was entirely left to the black population, the Europeans' racist attitudes intensified. A common belief was that hard labour was the natural function of Africans.

It can be affirmed that these antagonistic relations between Europeans and Africans, specifically between masters and servants, characterized the transformation of the Witwatersrand from an agricultural region to an industrial one.

Maintaining a structure of labour discrimination based on differences in skin colour played in the interests of the Europeans. Africans had no access to any economic power and received very unequal incomes, meanwhile the Europeans strengthened their supremacy.⁶¹

1.3. The economic impact of the gold discoveries

1.3.1. The economic effects on South Africa

Before the diamond and gold discoveries, South Africa was sparsely populated and based on extensive agriculture. The mining industry transformed the South African economy, as well as its society and politics, turning the country into a modern capitalist one.

Europeans first settled at the Cape of Good Hope in 1652. During the 18th and 19th century descendants of the Dutch settlers, the Afrikaners or Boers, migrated to the interior and along the coast of the country. They sustained themselves with agriculture and soon came into conflict with African societies on the matter of land control. Only

⁶⁰ M. Moeti, "The Origins of Forced Labor in the Witwatersrand", *Phylon*, 47 : 4 (1986), pp. 280-281.

⁶¹ Ivi, pp. 282-284.

on the coast existed some form of agricultural and commercial capitalism. Cape Town, which belonged to the British Empire, developed into a commercial hub, due also to its geographical position.⁶²

The discovery of diamonds and gold changed drastically the economic structure of the country. Within twenty years mining activities provided almost 60% of exports from the region. At first independent diggers were able to claim a stake in the diamond fields, but as the diamonds were mostly underground their extraction required a significant amount of capital, which came especially from Britain.⁶³

The De Beers Consolidated Mines, founded by Cecil Rhodes, held the monopoly on the diamond industry. The gold industry was also controlled by big corporations. After the exhaustion of the surface deposits, gold particles needed to be extracted from hard quartz rock, which required a large amount of capital. From the beginning mining companies collaborated with each other, for example in recruiting migrant labour. They also “diversified and extended their activities to downstream mineral processing, the steel and chemicals sector, engineering, other manufacturing sectors and banking.”⁶⁴ To this day many sub-sectors of the South African economy present a monopolistic structure.

Still, until the end of the century mining didn’t contribute to the South African economy. Profits were mostly going to Britain, and most mine equipment was imported.⁶⁵

The mining industry contributed to the limitation of the manufacturing industry because it absorbed most of the country’s capital. Manufacturing was held back during the nineteenth century by high wages and costs and could not compete with established industries in other countries. Skilled labour was absorbed by the mines. Industries like lead mining and cement making started to develop only after the government began to grant concessions to certain groups of people. But the great industries such as iron and engineering didn’t appear.⁶⁶

⁶² O. Schwank, “Chapter 2: South African Industrial Development”, *Linkages in South African Economic Development: Industrialisation without Diversification?*, NED, 2010, p. 12.

⁶³ Ivi, pp. 12-13.

⁶⁴ Ivi, p. 14.

⁶⁵ Ibid.

⁶⁶ D.W. Gilbert, “The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910”, *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 595.

According to Viscount Bryce, South Africa “lacked the three prerequisites of successful manufacturing: a large market, cheap power and cheap and efficient labor”.⁶⁷

The community, which was mostly pastoral and agricultural, was unable to meet the demands of a rapidly expanding population.

Products like wool, skins, hides and diamonds were sold in a market which was almost entirely foreign and thus suffered in the competition with gold production.

Rivers were few and thus could not provide the necessary waterpower, and coal was abundant but of poor quality. While natives had very low wages, they were an unstable and changeable labour force. Moreover, white wages were much higher than those of England and the United States.⁶⁸

When the costs became excessive the manufacturing increased, from food processing industries to heavy industries that provided various inputs for the gold mines: cement, explosives, coal-based electricity. Coal, electricity and steel manufacturing were also implemented for the construction of a national railway system. However, compared to mining and agriculture, manufacturing remained underdeveloped. In 1913 its contribution to GDP was less than 5%.

Manufacturing gradually increased after the First World War, still closely related to mining production: it was dominated by basic consumer industries, particularly food and beverages, and industries dealing with chemicals and metals. During the 20th century the importance of heavy industry grew, especially basic metal industries. The transport industry also gained importance, as well as light industries such as textiles and clothing, due to the “gold-induced boom” after 1933 and then after the Second World War.⁶⁹

1.3.2. The economic effects on the world

As stated before, the Witwatersrand attracted thousands of diggers and entrepreneurs, ranging from British investors to German bankers, who would pour millions of pounds into mining companies and create a large-scale flow of capital.

⁶⁷ D.W. Gilbert, “The Economic Effects of the Gold Discoveries Upon South Africa: 1886-1910”, *The Quarterly Journal of Economics*, 47 : 4 (1933), p. 595.

⁶⁸ Ivi, pp. 596-597.

⁶⁹ O. Schwank, “Chapter 2: South African Industrial Development”, *Linkages in South African Economic Development: Industrialisation without Diversification?*, NED, 2010, pp. 14-15.

By 1910 most South Africa's export earnings came from gold, and over 180 thousand Africans worked on gold fields spanning forty miles. However, the gold discoveries didn't only produce changes inside the country, but greatly impacted the global economy. Within twelve years after their discoveries, the Witwatersrand mines were producing over a quarter of the world's annual output of gold, at a time when gold was the centre of global monetary relations. In the 1870s gold had become the base of the new monetary system, the gold standard.⁷⁰ The gold standard started when England adopted gold as the monetary basis of the pound sterling, in 1819. In the 1870s it became the preferred monetary system for international payments.

Gold has various qualities that make it suitable to be used as a currency. It's ductile, it does not disintegrate, and it has a high monetary value relative to volume. This last quality facilitates the transfer of gold, from one hand to another and from one country to another, and in general the process of circulation.

Gold circulated in small quantities until the sixteenth century, when the destruction of the Aztec and Inca civilisations brought large quantities of gold in Europe, which increased the use of gold and silver coinage in international commerce.⁷¹

The early 1800s saw a rise in both general prices and gold prices. The economist David Ricardo argued that, in order to control these price fluctuations, the paper in circulation ought to be reduced to the amount that could be covered by the gold present in the Bank of England. Ricardo's theory formed the basis of the Quantity Theory, whose principles were used to create the international gold standard.⁷²

According to the Quantity Theory, the international movements of goods were related to changes in price levels in different countries. When prices rose or declined in a singular country, the flow of goods would alter, changing the balance of payments.

For example, when England's balance of payments was at a deficit, gold would be exported, reducing the country's money supply. The Bank of England would respond by raising its Bank Rate, leading to a fall in prices and overall imports. At the same time, the decline of price levels would make exports cheaper, spurring other countries to buy from England. The flow of capital and gold in the country would readjust the balance of

⁷⁰ J.J. Van Helten, "Empire and High Finance: South Africa and the International Gold Standard 1890-1914", *The Journal of African History*, 23 : 4 (1982), p. 529.

⁷¹ Ivi, p. 530.

⁷² Ivi, pp. 530-531.

payments. Therefore, the international gold standard was a mechanism capable of maintaining a general equilibrium in world trade.⁷³

However, in the early 1890s London, which until then had been considered the centre of international trade, suffered a series of financial crises.⁷⁴

In fact, financial crises had been occurring for the better part of the nineteenth century. Their immediate causes were sometimes trivial, but they generated a fall in prices. As prices fell, bank loan losses increased until a bank failed, causing a “race for liquidity.”⁷⁵

In 1890, a financial crisis happened when one of the most prestigious banks in the City, the Baring Bros. and Company, collapsed due to having based its investments on an insufficient gold reserve, an issue that other banks in the City shared, including the Bank of England.⁷⁶

The Baring crisis, induced by difficulties in Argentina, brought a sharp decline in British lending worldwide and precipitated or contributed strongly to economic crises in South Africa, Australia, and the United States down to 1893.⁷⁷

South Africa’s gold imports into the United Kingdom increased rapidly after 1886, reaching 68.1% of the total in 1908. These imports decreased during the country’s political and economic crises, such as the Jameson Raid, the collapse of gold mining shares in 1895 and the Anglo-Boer War, but were quickly replaced by imports from France and Germany. Such fluidity of gold was possible because under the gold standard the central banks of Europe worked closely with the Bank of England.⁷⁸

The raw gold from the Witwatersrand was first sent to the local office of the Standard Bank, in Cape Town, and then shipped to London. In London the boxes of gold were sent to refiners, who produced ounce bars of 22 carat pure gold and 2 carat copper alloy, known as Cape bars. Refiners charged the mining companies up to 10% for their services. The Cape bars were then sold on the London bullion market by gold

⁷³ J.J. Van Helten, “Empire and High Finance: South Africa and the International Gold Standard 1890-1914”, *The Journal of African History*, 23 : 4 (1982), p. 531.

⁷⁴ Ivi, p. 534.

⁷⁵ R. Aliber, C. P. Kindleberger, *Manias, Panics, And Crashes: A History Of Financial Crises*, 1978, p. 104.

⁷⁶ J.J. Van Helten, “Empire and High Finance: South Africa and the International Gold Standard 1890-1914”, *The Journal of African History*, 23 : 4 (1982), p. 534.

⁷⁷ R. Aliber, C. P. Kindleberger, *Manias, Panics, And Crashes: A History Of Financial Crises*, 1978, p. 138.

⁷⁸ J.J. Van Helten, “Empire and High Finance: South Africa and the International Gold Standard 1890-1914”, *The Journal of African History*, 23 : 4 (1982), pp. 536-537.

commodity brokers. Overall, the Witwatersrand mines had to pay between 14% and 15% ad valorem for insurance and refining charges, which diminished the original value of the ounce of gold.⁷⁹

South African mining companies sent raw gold to London mainly because they believed that, since it was the biggest market, prices would be optimal. Moreover, the London bullion market was the only one with no restrictions whatsoever, and it provided a series of financial services which allowed the Witwatersrand gold industry to be internationally orientated. The City was “the hub of global patterns of trade and payment flows”⁸⁰ and contained the Head Offices of many mining companies. It was in London that the South African mining companies could most likely save money in terms of costs of refining, shipping, insurance and brokerage.⁸¹

As a result of the mines’ dependence on the City’s financial institutions, the Transvaal did not have a refinery or a mint until 1919, after Britain abandoned the gold standard. Before that trades in southern Africa were solely done with sterling.⁸²

As stated before, the Transvaal was a major source of gold for Britain's monetary reserves. Therefore, the British government made sure that the Witwatersrand mines would continue to produce gold for the London bullion market.

Marks and Trapido have argued that there is a direct link between the importance that Britain attributed to their gold reserve, in a time where gold was the centre of the monetary system, and the political and economic instability that preceded the outbreak of the Anglo-Boer War. The British government might have decided to overthrow the Kruger regime in the Transvaal in order to obtain control of the mines and gain more gold. According to Jacques van Helten, the situation presented other factors that need to be considered.⁸³

For the duration of the Anglo-Boer war Britain did not have major difficulties in maintaining its gold reserves at acceptable levels, even without the import of South African gold. The Bank of England attracted gold from industrialized countries such as

⁷⁹ J.J. Van Helten, “Empire and High Finance: South Africa and the International Gold Standard 1890-1914”, *The Journal of African History*, 23 : 4 (1982), pp. 536-538.

⁸⁰ Ivi, p. 539.

⁸¹ Ivi, pp. 539-540.

⁸² Ivi, p. 539.

⁸³ Ivi, pp. 543-544.

France and Germany and succeeded in obtaining gold at moderate prices.⁸⁴ Moreover, the Anglo-Boer War “probably did not last long enough to cause any major rupture in the world's supply of gold.”⁸⁵

To expand its gold reserves, the Bank chose to rely on the Bank Rate and on gold devices. As the Bank Rate’s efficacy declined, gold devices became the most effective operations to attract gold.

A particularly effective gold device was raising the Bank’s buying price of a standard ounce of 24 carat gold on the bullion market. In 1890, an increase in the buying price for gold, as low as 3/8 of a penny above the fixed price, was able to restore the flow of gold into Britain. Other gold devices used by the Bank included raising the selling price of foreign coins and altogether refusing to sell bars.⁸⁶

Thus, the gold devices allowed the Bank of England to increase its supplies of the newly mined gold that passed through the London bullion market between 1890 and 1914.

Nevertheless, the Bank didn’t rely largely on the newly mined gold from the Transvaal. On the contrary, South African gold was only a small percentage of the total amount of gold traded daily on the London bullion market.⁸⁷

The real significance of the growing supplies of newly mined gold from the Transvaal and Australia, which were placed on the London market, was not so much that they found their way into the coffers of the Bank. In fact, it was in some respects quicker and less costly for the Bank to attract gold from abroad, notably gold coins, as part of the general settlement of trading accounts.⁸⁸

Therefore, it might not be correct saying that during the 1890s the British government wanted to lift the limitations on the gold mines imposed by the Pretoria administration.

Still, Cape bars arrived weekly in London, creating a supply of newly mined gold that the Bank could rely on whenever the gold standard mechanism broke down.⁸⁹ Moreover,

⁸⁴ J.J. Van Helten, “Empire and High Finance: South Africa and the International Gold Standard 1890-1914”, *The Journal of African History*, 23 : 4 (1982), pp. 543-544.

⁸⁵ Ivi, p. 544.

⁸⁶ Ivi, pp. 535-536.

⁸⁷ Ivi, p. 536.

⁸⁸ Ibid.

⁸⁹ Ivi, pp. 547-548.

the mere knowledge that the Cape bars arrived in London every week reinforced London's position as the world's leading gold market and financial centre and created in itself a further sense of confidence in the ultimate strength and viability of sterling as the world reserve currency.⁹⁰

Overall, the gold produced by South Africa and other nations expanded the world's monetary stock. The existence of gold reserves allowed international trade to grow without being interrupted by inflation or shortages of cash, and the continuous demand for gold made the industry develop without any risk of overproduction.

Even though the South African gold did not directly increase the Bank of England's reserves, large amounts went to South America and other countries, reducing their demands on the Bank.⁹¹

⁹⁰ J.J. Van Helten, "Empire and High Finance: South Africa and the International Gold Standard 1890-1914", *The Journal of African History*, 23 : 4 (1982), p. 536.

⁹¹ *Ibid.*

CHAPTER 2: THE JAMESON RAID AND THE ANGLO-BOER WAR

2. 1. The Jameson Raid

The Jameson raid was a military operation conducted by a troop of British military led by Dr. Jameson, with the intent of invading the Transvaal republic and overthrowing its government. The raid, started on December 29, 1895, had been engineered by a group of conspirators, including Cecil Rhodes, the prime minister of Cape Colony. According to the plan, an internal revolution should have broken out in the city of Johannesburg just as the troop invaded the region. However, the revolt didn't happen, and the raid failed.¹

Before considering the origins and consequences of the Jameson raid, it is necessary to explain the complex racial dynamics of the South African society in the nineteenth-century. Beside the main distinction between whites and natives, white people could either be European immigrants or Afrikaners. Afrikaners descended from the seventeenth and eighteenth-century settlers; they had an eradicated culture and language, and sustained themselves with agriculture. The Europeans, mostly from Britain, migrated to South Africa in the nineteenth-century and lived in towns as lawyers, merchants, and skilled workers. British people formed a majority among the whites in Natal and on the Witwatersrand, but overall, in southern Africa most whites were Afrikaners. And while Afrikaners had a balanced ratio of men, women and children, the immigrants were mostly adult men.² Black South Africans also differed among themselves. Some Africans owned land, others were occasional wage workers on white property, but all of them suffered the effects of white power, "which imposed taxes, created new material needs, eroded customary values, and insinuated new ones."³

In the last three decades of the nineteenth century, South Africa experienced two major political processes: first the British and Afrikaner forces collaborated with each other and conquered the African communities. Then, during the Anglo-Boer War, the British army conquered the Afrikaner republics.⁴

¹ R. H. Winkler, "Joseph Chamberlain and the Jameson Raid", *The American Historical Review*, 54 : 4 (1949), p. 841.

² L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, pp. 112-113.

³ Ivi, p. 100.

⁴ Ivi, p. 122.

In South Africa the white population never amounted to more than 20% of the total. Despite their small number, whites owned the most land, and they controlled the legislative branch of the government. By 1870 most Africans had been placed in reserves, leaving the rest of the land for white settlement.⁵ The disparity between the number of Africans and the number of whites mitigated the tensions between Boers and Europeans, and united them in their common interest: acquiring and controlling African labour. Using methods like land appropriation and forced labour, the white population obtained their supremacy over Africans and excluded them from the South African social and political system. By the end of the century all natives had been incorporated into a capitalist and white-dominated economy.⁶

This conquest was possible because all whites believed to belong to a superior race, and thus could overlook their internal differences and collaborate with each other. On the other hand, Africans were unable to unite against the invaders because their territories were separated by white settlement, and they had serious internal conflicts. Therefore, in the last decades of the nineteenth century African societies and their cultural, political and economic autonomy fell under the colonists' control.⁷

However, the relationship between Afrikaners and Europeans did not remain peaceful. Tensions between these two white groups culminated first in 1877, due to the annexation of the Transvaal republic to the British Empire, and then in 1899 with the Anglo-Boer War, which proved to be destructive for many African communities as well.

The British government's plan was to unite the British colonies - Cape Colony and Natal - and the Afrikaner republics - the Transvaal and the Orange Free State - into a "self-governing, white-controlled state under the Crown."⁸

In 1877 they were able to annex the Transvaal, but the republic protested by sending a delegation to London, led by Paul Kruger. The protest intensified and in 1880 Afrikaner commandos invaded Natal and defeated several British forces. In 1881 Britain granted the Transvaal complete self-government.⁹

However, relationships between Afrikaners and Europeans grew more tense as the gold industry developed. The mines on the Witwatersrand attracted thousands of white

⁵ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, pp. 96-97.

⁶ Ivi, p. 109.

⁷ Ivi, p. 56.

⁸ Ivi, pp. 133-134.

⁹ Ivi, pp. 134-135.

immigrant men, who became known as Uitlanders. They ranged from unskilled workers to lawyers and businesspeople, and most of them came from English-speaking countries. By 1895, the Uitlanders outnumbered the Afrikaner males in the Transvaal. Alarmed by the number of foreigners, the republic's legislative council, called the Volksraad, "limited the franchise for presidential and Volksraad elections to those white men who, besides being naturalized citizens, had lived in the republic for fourteen years."¹⁰ Uitlanders complained about these limitations, although they were not an oppressed community.¹¹

Moreover, by 1895 British control over the Transvaal was loosening due to the decline of Britain's international economic power. Knowing that the South African gold mines were the greatest source of gold in the world, Great Britain became very interested in maintaining its power over them. Also, "the managements of most of the companies - French, German, and British - had come to the conclusion that the republican government was an obstruction."¹²

For these reasons, Chamberlain, the Secretary of State for the Colonies, decided to start a political action to transform the Transvaal into a British colony. In Johannesburg, a committee was to instigate a revolt from the Uitlanders and then proclaim a provisional government. Jameson, a Scottish doctor associated with Rhodes, would assist the raid with the British South Africa Company police. However, the conspirators failed to spark a mass revolt. Jameson, ignoring Rhodes' orders, decided to invade the republic all the same, but on January 2 he and his troops had to surrender to the Transvaal commandos.

After the failure of the Jameson Raid, Chamberlain decided that the best way to limit the Afrikaners' power in Southern Africa was a direct British action. In 1897, he appointed Milner as High Commissioner in South Africa, a man who believed that British people were meant to rule over other races and that the Witwatersrand gold industry could restore Britain's power.¹³

Milner made little attempt to comprehend the interests and motivations either of the members of the governments of the Cape Colony and the Orange Free State or of the Afrikaner reformers in

¹⁰ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 137.

¹¹ Ivi, pp. 136-137.

¹² Ivi, p. 137.

¹³ Ivi, pp. 138-139.

the Transvaal, who were fundamentally well disposed toward Britain and extremely eager to preserve the peace.¹⁴

During a meeting with Kruger, Milner demanded that Uitlanders who had lived in the Republic for five years should have the right to vote. Kruger refused.

Milner, believing that a radical reform was necessary to keep South African political forces in order, called for British intervention. Thus, on October 11, 1899, the South African War began. According to Thompson, “Britain went to war to reestablish British hegemony throughout Southern Africa, the republics to preserve their independence.”¹⁵

Jan Smuts, an Afrikaner politician of the time, stated that:

The Jameson raid was the real declaration of war in the great Anglo-Boer conflict and that is so in spite of the four years truce that followed... the aggressors consolidated their Alliance ...the defenders on the other hand silently and grimly prepared for the inevitable.¹⁶

2.1.1. Causes of the Jameson Raid

The main conspirators behind the Raid were mining leaders. Almost all of them were members of Rand Mines Limited and of Consolidated Gold Fields of South Africa, the two companies that in 1895 monopolized the deep-level mining industry. Cecil Rhodes was a director of the Gold Fields company, which at the time constituted his largest source of income. Alfred Beit, another essential figure in the conspiracy, owned more than half of the Rand Mines’ profits.¹⁷

For decades, the causes of the Jameson Raid were a subject of debate. Some historians claimed that the Raid was attempted by mining capitalists to increase their profits, others argued that it was a political move to unify southern Africa under the British Empire. According to the political interpretation, the mine-owners who decided to join the conspiracy did so because of their political beliefs and their alliance with Rhodes.¹⁸ However, in 1965 Geoffrey Blainey criticized this thesis, arguing that mine-owners acted following their economic interests. To support his point, Blainey examined

¹⁴ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 140.

¹⁵ Ivi, p. 141.

¹⁶ J. Smuts, 1906, quoted by T. Pakenham in *The Boer War*, 1979, Abacus, Kindle Edition, p. 34.

¹⁷ G. Blainey, “Lost Causes of the Jameson Raid”, *The Economic History Review* (1965), 18 : 2, p. 362.

¹⁸ J. van der Poel and Marais considered Rhodes’ political ambitions the main cause of the Raid

the Transvaal's mining industry and the economic and technical problems present at the time of the conspiracy.¹⁹

The minerals present on the Witwatersrand were owned by the Transvaal government. In order to extract gold, mining companies had to rent a portion of mining ground and pay to the government an annual rent, usually 2,5% of the value of gold mined each year.²⁰

When deep-level mines were discovered, a new group of companies emerged. They occupied the ground south of the outcrops and had different economic interests from the outcrop companies. By 1895, almost all companies could be classified as either deep-level or outcrop companies.

Soon it became evident that "far more gold would come from depths than from the shallower ground so far worked by the average outcrop company."²¹ However, deep-level mines came with some additional problems.

Deep-level mining required a much bigger initial capital investment compared to the outcrops. Companies needed to finance large shafts and other high-cost equipment to sink into the ground and reach the gold. They also had to wait years before they could expect some profits, as the sinking shafts were very slow in their descent. By 1895, few deep-level mines were ready to produce gold. Those who could were still not making any profits due to the high costs and the scarcity of black labour, but also due to Kruger's government.²²

In the late nineteenth century, the Transvaal's form of state was still anchored to the agrarian society of the Afrikaners, and its government was not prepared to deal with the massive inflow of capital and the sudden demands of development. Kruger tried to modernize the region and create a functioning industrial base, but his attempts only increased the corruption of the small bureaucracy, which still reflected the lifestyle of the agrarian mode of production.²³ Moreover, Kruger's policies favoured the outcrop

¹⁹ R. Mendelsohn, "Blainey and the Jameson Raid: The Debate Renewed", *Journal of Southern African Studies* (1980), 6 : 2, p. 157.

²⁰ G. Blainey, "Lost Causes of the Jameson Raid", *The Economic History Review* (1965), 18 : 2, p. 359.

²¹ *Ivi*, p. 354.

²² *Ibid.*

²³ S. Marks, S. Trapido, "Lord Milner and the South African State", *History Workshop* (1979), 8, p. 60.

mines and aggravated the grievances of deep-level mining companies. For instance, he subjected deep-level mines to heavy taxation, while the outcrops were mostly spared.²⁴

Thus, among the deep-level mine-owners grew the idea that “the mine itself was not failing; it was the economic environment of Kruger's land that had failed.”²⁵ In 1895, the complaints of deep-level capitalists against their position of disadvantage culminated in the conspiracy to overthrow the government of the Transvaal.²⁶

According to Mendelsohn, what differentiated the companies who participated in the Raid and those who didn't was specifically the type of mining projects that they had planned. In the 1890s Wernher Beit had acquired many successful outcrops, and with those profits the firm was able to expand into deep-level mining despite the risks connected to it. So, in 1893 Wernher Beit launched a long-term mining project to bring to production a series of deep-level mines after the exhaustion of the outcrops. A similar long-term project was applied by the Gold Fields company. In 1892 it acquired undeveloped deep-level ground and the following years were spent developing this new generation of mines. To avoid competition, the Gold Fields proposed an alliance with Wernher Beit.²⁷ “Agreement was reached in November 1894, which envisaged the joint purchase and development of property even further south than the deep-level mines currently planned.”²⁸

Without the control of Kruger's government, the cost of dynamite, coal and labour would decrease, which over the years would benefit the large-scale projects of Beit and Rhodes and their companies. Thus, the conspirators were to gain more in the long term if the Boer government was replaced by another, more willing to accommodate their needs.²⁹

Marks and Trapido suggested that the differences of commitment to long-term mining programmes continued after the Anglo-Boer War.³⁰ However, it's important to remember that, even in the decade after the war, long-range mining programmes were

²⁴ G. Blainey, “Lost Causes of the Jameson Raid”, *The Economic History Review* (1965), 18 : 2, pp. 354-355.

²⁵ Ivi, p. 356.

²⁶ Ivi, pp. 358-359.

²⁷ R. Mendelsohn, “Blainey and the Jameson Raid: The Debate Renewed”, *Journal of Southern African Studies* (1980), 6 : 2, pp. 167-168.

²⁸ Ivi, pp 168-169.

²⁹ Ivi, p. 170.

³⁰ P. Richardson, J. van Helten, “The Development of the South African Gold-Mining Industry, 1895-1918”, *the economic History Review* (1984), 37 : 3, p. 325.

not the same as deep-level production. In 1902 the deep-level mines owned by Wernher Beit were just at the beginning of their productive life, and the company in terms of production was still based on its outcrop fields, some of the richest in the central section of the Rand. The strategy of Wernher Beit consisted in having new mining fields, ready to be productive, that would replace mines that would soon stop producing.³¹

No other group at the time had such a large collection of mines under its control; more importantly, no other group had such a good balance in its producing mines between short-life high dividend payers (i.e. good outcrops) and longer-life deep-levels that were at the beginning of their profitable life.³²

2.2 The Anglo-Boer War

The Anglo-Boer War began on October 11, 1899, and ended with Britain's victory on May 31, 1902. It is considered a crucial event in South African history because it profoundly influenced the relations between ethnic groups in South Africa. The conflict was between the British Empire, the world's most powerful nation at the time, and two small Afrikaner republics, the Transvaal and the Orange Free State. It started as a white man's war, also called a "gentleman's war", but came to affect the entire South African population; whites, Africans, and Asians.³³

The British plunged into the conflict expecting to win easily, as the number of British soldiers exceeded by far the number of Afrikaner soldiers. Nevertheless, the republics resisted for two and a half years. The British troops were not well-prepared. The Afrikaner men, on the other hand, were expert horsemen and could fight well in rural areas. They also believed passionately in their cause, compared to most British soldiers.

The conflict can be divided in three phases: the first phase lasted until December 1899 and saw the victory of the Boer commandos against the British on all three fronts of attack. However, the Boers did not take advantage of their initial successes in combat and in the second phase, which lasted all 1900, the British troops won constantly. They

³¹ P. Richardson, J. van Helten, "The Development of the South African Gold-Mining Industry, 1895-1918", *the economic History Review* (1984), 37 : 3, pp. 325-326.

³² Ivi, p. 326.

³³ A. Wessels, *Breaking Intergenerational Cycles of Repetition*, 2016, Verlag Barbara Budrich, p. 161.

occupied the Boer capital cities, Bloemfontein and Pretoria, as well as the city of Johannesburg.³⁴

The third phase started in December 1900, when the republics resorted to a guerrilla approach, cutting railroad tracks and seizing British supplies. This change in strategy helped them regain ground against the British. To fight the Afrikaner attacks, the British army built 8,000 blockhouses across the length of the war zone and created a camp system. They also employed over 140 thousand black South Africans, as well as more than 5 thousand Afrikaners who had surrendered, as combatants or as support. The British counter-guerrilla strategy caused several damages to the country and its inhabitants. The British army destroyed the farms of 30 thousand Boers and the houses of tens of thousands black workers. More than half of the total Afrikaner population in the republics, and more than 100 thousand Africans, were left without shelter. The camps that the British built to house these civilians did not have enough food or medical supplies, and most of the time were in unsanitary conditions. By the end of the war, 28 thousand Afrikaners and at least 23 thousand Africans had died in camps, most of them children. The British had no intention to exterminate the Boer population in the camps, but the death of many women and children could have been avoided if the British administration had been better.³⁵

The counter-guerrilla strategy used by the British succeeded, and by May 1902 most of the Boers had given up hope. On May 31 the British conditions for surrender were accepted, and the Boer republics lost their independence. During the treaty, “the political and other interests of black and coloured people were sacrificed to facilitate reconciliation between Boer and Briton. Those traumatised by the Anglo-Boer War, soon became the new traumatisers.”³⁶

In 1983 Thomas Pakenham, in his book “The Boer War”, identified three themes that most historians had overlooked in their studies on the Anglo-Boer War, three threads that run through the narrative of the conflict and that need to be acknowledged. The first theme involves the causes of the war and the role that the Rand millionaires played in it. According to many historians, the mining magnates took no part in the outbreak of the war. Despite this common interpretation, in his research Pakenham

³⁴ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, pp. 141-143.

³⁵ A. Wessels, *Breaking Intergenerational Cycles of Repetition*, 2016, Verlag Barbara Budrich, p. 163.

³⁶ Ivi, pp. 165-166.

found evidence that an informal alliance existed between Milner, the British High Commissioner, and the main Rand company, Werner-Beit. According to him, it was this alliance, which remained secret, that gave Milner the necessary means to go to war. A second theme involves the natives, “the invisible majority of South Africans.”³⁷ It was common to refer to the South African War as a “gentleman’s war”, fought between white people, but this was a generalization. Africans played a crucial role in the war, and as many as 100 thousand were employed by the British and the Boers as labourers, drivers, and even soldiers. By the end of the war, 10 thousand Africans were fighting with the British forces. Overall, Africans were the group most affected by the war and its aftermath. The third theme that needs to be studied more in-depth is the impact of the war on Boer civilians. Their farms were burned, and women and children were concentrated in camps with high death rates.³⁸

2.2.1. The first theme: the causes of the war

For many years, the Anglo-Boer War was considered the result of figures like Rhodes, Chamberlain and Milner and their individual motivations. According to this interpretation, Milner and other individuals believed that a radical change in South Africa was necessary for the British empire to keep control of the country.³⁹ The war was an episode “unjust but necessary”, aimed to overthrow the Transvaal government, considered “a medieval race oligarchy” by Milner himself, in order to modernize the region. Great Britain would benefit from a change of government in the Transvaal because the supply of South African gold would increase, expanding the global trading system and contributing to Britain’s gold reserves.⁴⁰

This interpretation, however, presents some issues, as British control over the Transvaal did not generate an increase in Britain’s gold reserves. They remained low before and after the war because the banks were not concerned with changing the situation and could secure the sufficient amount of gold using gold devises. Moreover,

³⁷ T. Pakenham, *The Boer War*, 1979, Abacus, Kindle Edition, p. 16.

³⁸ Ivi, pp. 16-17.

³⁹ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, pp. 53-54.

⁴⁰ A. Porter, “The South African War and the Historians”, *African Affairs* (2000), 99 : 397, p. 637.

whatever its temporary rates of growth, South Africa was still only one among many similar economies with which Britain had extensive trade connections, and it was in many ways less attractive to Britons than, for example, either Canada or Argentina.⁴¹

In 1979, Marks and Trapido suggested that the origins of the Anglo-Boer War were not to be found in the actions of individuals, but within the context of imperialism. In particular, it was the imperial need to remain at the centre of the international money market that made Britain fight to secure its control over the Transvaal's gold mining industry.⁴²

By 1899, British investments supplied between 60% and 80% of foreign investment in the gold mines on the Witwatersrand. And in a world where competition between nations was rapidly increasing, the control over the largest source of new gold internationally was crucial to imperial interests. Britain felt threatened by the economic expansion of European interests in areas which held a strategic importance for the Empire. Thus, the Anglo-Boer War was fought to defend the empire, both in its present state and in view of a future annexation of the entire South African country.⁴³

It's important to remember that imperial interests were not the only interests which created the conditions for the war. An important role was played by the global expansion of capitalism.⁴⁴

According to Hobson, "war in 1899 was the consequence of rational choices, perceptible greed and moral weakness on the part of individuals, rather than of permanent structural or functional necessities in Britain's political economy."⁴⁵

Hobsbawm as well argued that "whatever the ideology, the motive for the Boer War was gold."⁴⁶ Following in Hobson's argument, historians have suggested that the war was fought to satisfy the capitalistic needs of a group of South Africa's mining industrialists, who had already tried to serve their interests with the Jameson Raid. In summary, many linked the South African war to "the destructive impact of capitalist expansion inside South Africa itself."⁴⁷

⁴¹ A. Porter, "The South African War and the Historians", *African Affairs* (2000), 99 : 397, p. 637.

⁴² S. Dubow, "Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10", *History Workshop Journal* (1997), 43, p. 39.

⁴³ A. Porter, "The South African War (1899-1902): Context and Motive Reconsidered", *The Journal of African History* (1990), 31 :1, p. 50.

⁴⁴ Ivi, p. 44.

⁴⁵ Ivi, p. 44.

⁴⁶ Ivi, p. 46.

⁴⁷ Ibid.

2.2.2 The second theme: a white man's war

The Anglo-Boer War is considered by most historians a “white man's war”, as neither the British nor the Afrikaners wanted to weaken white control over the African population. The South African natives entered a system of racial domination under the British as well as under the Boers. From the beginning of their settlement, the Boers developed a master-servant relation with Africans, who they considered “inferior beings”. Their scriptures, and later Darwin's theory of evolution, justified this attitude.⁴⁸

From the outbreak of the war, both Boers and British denied any involvement of non-Europeans into the conflict. In reality, Africans were used in support of the war and in active combat. The War Office in London advised against using “coloured troops” as it would be bad policy. Paul Kruger also believed that the involvement of non-Europeans would outrage the world. In addition, the Boers did not want to stimulate Africans into fighting for the same freedom that they didn't have access to. When Africans' participation became a reality, the British government took precautionary measures to keep them under control, in fear that Africans would learn that they could overcome white men in battle and revolt against their condition.⁴⁹

The reality of the war was that the British and the Boers used African troops from the beginning of the conflict, and this use only increased as the war became a real threat for Britain. British troops resorted to using Africans in all major battles, but they tried to prevent them from developing an independent military action. A large number of natives, mostly Zulus, was used to guard the borders of Natal against the Boers. Most of the Indian population, which had been imported in 1860 to work in sugar plantation, volunteered to fight for the British.⁵⁰ At the end of the nineteenth century there were over 100,000 Indians in South Africa, therefore their support had an important impact in the conflict.

The Boers complained about the British use of non-European soldiers. General C.R. deWet of the Orange Free State asked Lord Kitchener, a British general, to remove all armed natives from the borders. Kitchener responded with this statement:

⁴⁸ H. T. Siwundhla, “White Ideologies and Non-European Participation in the Anglo-Boer War, 1899-1902”, *Journal of Black Studies* (1984), 15 : 2, pp. 223-224.

⁴⁹ Ivi, pp. 224-225.

⁵⁰ Ivi, pp. 226-228.

I would point out to you that in numerous cases armed Natives have been found employed by the Burgher forces, particularly in the commando of General Beyers, and that armed Natives have frequently been found in the commandos fighting against us [P.R.O., 1901a].⁵¹

Overall, the use of non-Europeans in the Anglo-Boer War was extensive on both sides. Besides armed combat, non-Europeans were used as spies, watchmen, transport drivers or messengers, which were an essential part of the war effort.⁵²

Although the war mostly affected the Afrikaners of the Transvaal and Orange Free State republics, Africans were left discontented as well. During the war the British had given the impression that Africans would receive equal political and social rights if they supported Britain against the Boers. However, to successfully form a reconciliation with the Afrikaners, the British government sacrificed the Africans' right to vote.⁵³

2.2.3. The third theme: 'concentration camps'

At the beginning, the Anglo-Boer War was generally accepted by the British public. However, during the war the perspective shifted. Critics like Hobson, instead of viewing British people in South Africa as oppressed by the Kruger's government, wrote about gold-mining capitalists, the real reason behind the conflict. The war lost most of its support in 1901-02, when the scandal of the "concentration camps" created by the British army spread over Europe.⁵⁴

In March 1900 the British army began to burn the homes and crops of the Boers to reduce their food and supplies. Under Lord Kitchener the practice of farm-burning became systematic, leaving many people without shelter, mostly women and children since most men were away fighting. In December, Kitchener proclaimed a policy for which the surrendered Boers and their families would be housed and fed in camps built by the British. Soon the Boers affected by farm-burning joined the camps. Compared to the temporary camps for soldiers, stationary camps for civilians required more supplies, which the British army was unprepared to give. Thus, "problems soon arose with food,

⁵¹ H. T. Siwundhla, "White Ideologies and Non-European Participation in the Anglo-Boer War, 1899-1902", *Journal of Black Studies* (1984), 15 : 2, p. 231.

⁵² Ivi, p. 233.

⁵³ A. Wessels, *Breaking Intergenerational Cycles of Repetition*, 2016, Verlag Barbara Budrich, pp. 166-167.

⁵⁴ P. M. Krebs, "The Last of the Gentlemen's Wars': Women in the Boer War Concentration Camp Controversy", *History Workshop* (1992), 33, p. 38.

fuel, and general health conditions.”⁵⁵ Moreover, although the camps were not called prisoner camps, their inhabitants were not allowed to leave and were in fact treated as war prisoners.⁵⁶

Initially the British public believed that camps were for male prisoners of war. But when the news spread that the camps were populated mostly by women and children, the interest increased. British women in the anti-war South Africa Conciliation Committee began to collect clothing and money for the people in camps. The camps were reported to have unhealthy conditions and high death rates. In late 1901 there was an improvement in the conditions in the camps. However,

By the end of the war 28,000 whites, mostly women and children, had died in the Boer camps - more than twice the number of men on both sides killed in the fighting of the war. The death rates were even higher in the African camps, which did not benefit from the publicity given to the white camps; 14,000 died in the camps for Africans, of a total of 115,000 internees.⁵⁷

The creation of “concentration” camps was connected to the rooted idea that the Boers were primitive, a less civilized population than the British. “The Boer women in the camps were compared to British peasants of the seventeenth century.”⁵⁸

From June 1901 to the end of the war in May 1902 anti-war activism focused on the concentration camps. The pictures portraying women and children inside the camps became famous among the British population, and the reports on the thousands of deaths spread internationally.

Besides the camps for the Boers, the British built separate camps for Africans. The creation of camps for white women and children was justified as a way of protecting them from African men, but Africans were imprisoned without justification. It was merely a military necessity and was not contested either by Britain or by the rest of Europe, despite the public discourse against the camps for the whites.⁵⁹

To conclude, despite the horror that the camps elicited in the British population,

⁵⁵ P. M. Krebs, “The Last of the Gentlemen's Wars: Women in the Boer War Concentration Camp Controversy”, *History Workshop* (1992), 33, p. 39.

⁵⁶ *Ibid.*

⁵⁷ *Ivi*, p. 41.

⁵⁸ *Ivi*, p. 44.

⁵⁹ *Ivi*, pp. 51-52.

The inability to see the connections between gender, race, and class prevented the concentration camps controversy from posing a powerful challenge to the hegemony of the imperial idea in Britain at the turn of the century.⁶⁰

⁶⁰ P. M. Krebs, "The Last of the Gentlemen's Wars': Women in the Boer War Concentration Camp Controversy", *History Workshop* (1992), 33, p. 39.

CHAPTER 3: AFTER THE ANGLO-BOER WAR

3.1 Milner's administration

The Anglo-Boer War came to an end on May 31, 1902, with the Peace of Vereeniging. Even before this date Milner had begun to plan the reconstruction of South Africa, with the aim to “translate the military victory into durable British supremacy throughout Southern Africa.”¹ His plan was to rebuild the gold mining industry of the Transvaal, to improve the structure of the government, and to encourage a mass British immigration to the two former republics in order to form a self-governing British dominion. Thus, between 1902 and 1905, Milner and the group of British officials he recruited, known as Kindergarten, worked to serve the imperial interests in South Africa. However, their activity clashed with the fact that the war had left South Africa without resources.²

Agricultural production was badly affected by drought, the mining industry faced a chronic shortage of labour, there were tens of thousands of displaced refugees and prisoners-of-war, and the departure of British troops accentuated the problems of depressed commercial activity.³

Therefore, when Milner left South Africa in April 1905, many of his objectives had not been achieved. His anglicisation policies failed in creating the ethnic conditions necessary to establish a British dominion in the former republics. Despite the increase of the British population in the Transvaal, there was no mass British immigration to the towns, and Afrikaners continued to be more than 50% of the white population in Southern Africa. Moreover, instead of denationalizing the Afrikaners, the Jameson Raid and the war “gave Afrikaner nationalism a powerful stimulus.”⁴ Afrikaner organizations, most famously Het Volk (The People), formed in the Transvaal and in the Orange River Colony, denouncing Milner's administration and demanding self-government. On the other hand, British people in South Africa remained divided. Milner's desire to expand the mining industry made him focus on serving the interests of mining magnates, alienating many British artisans and other professionals.⁵

¹ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 143.

² S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, pp. 55-56.

³ Ivi, p. 56.

⁴ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 145.

⁵ Ivi, p. 146.

Feeling that he was not the appropriate person to secure South Africa for the Empire, in 1905 Milner departed from South Africa, leaving the Kindergarten “to work towards a federation of the South African colonies”⁶, which resulted in the South African Union in 1910.

For many years, historians have considered Milner’s administration in South Africa a failure. However, a study by Marks and Trapido pointed out how Milner’s state did achieve some of its objectives. On the long term, it “contributed significantly to the development of a modern capitalist state capable of serving, directly or indirectly, the requirements of the mining industry and the broad needs of empire.”⁷

From the very start, the mining industry on the Witwatersrand grew with the government’s support and assistance. The gold mines were considered an essential instrument to the nation’s development, and thus were too important to be left purely in the hands of private enterprises. In particular, mining companies needed help to organize the black labour supply. Africans were generally unwilling to work in the mines because of the poor labour conditions and the low wage levels and needed to be encouraged to do so by the government’s laws and policies.⁸

The main demands of the mining capitalists involved a more effective organisation of the state and a system of policies to effectively control labour. However, Kruger’s government was unable to provide the kind of state that the mine leaders needed to develop an efficient capitalist industry in the Transvaal.⁹

Milner used the mining leaders’ complaints against Kruger to overthrow his government and secure British supremacy in South Africa. Milner justified his actions with the ideology of social imperialism, according to which the British race was superior to other races and destined to lead the world. However, social imperialism was rooted in the increasing awareness that the British economic supremacy was being challenged by other world powers. The necessity to maintain British supremacy determined the outlook that the Britain government had on South Africa.¹⁰ South

⁶ S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, p. 58.

⁷ Ivi, p. 56.

⁸ A. Jeeves, “The Control of Migratory Labour on the South African Gold Mines in the Era of Kruger and Milner”, *Journal of Southern African Studies* (1975), 2 : 1, pp. 3-4.

⁹ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, pp. 60-63.

¹⁰ Ivi, pp. 54-57.

African gold was seen as essential for international trade, and Britain could not risk letting the mining industry be controlled by a government that was considered “incapable of securing the long-term interests of the mines, and which might well ally itself with Britain's rivals.”¹¹

During his administration, Milner worked to form direct connections with the mining capitalists, and was able to provide them with cheap and controlled African labour by transforming the South African social relations in a way that served the interests of capitalist development.¹² This transformation was not only useful for the mining industry, but perfectly represented the type of state that Milner desired for South Africa. In 1899 he stated that “the ultimate end is a self-governing white community, supported by well-treated and justly-governed black labour.”¹³

The nature of the relationship between Milner’s state and the gold mining industry has been a subject of debate. Denoon argued that, in the reconstruction period, mining companies used Milner’s state to their advantage.¹⁴ On the other hand, Mawby denied any particular influence of the mining industry over the government. According to him, “it was Milner who used the mining industry in the pursuit of his essentially politic objectives, and it was Milner who was very much the dominant partner in the relationship.”¹⁵

In any case, the post-war period saw a much closer alliance between mining leaders and the government. During the new government several mining magnates became involved in administrative jobs, and there was the tendency to employ men with mining company experience as inspectors in the Native Affairs Department. Their function was to control the labour conditions on the mines and to act as “protectors” of Africans. The result was that, rather than protecting African workers, these inspectors acted in the interests of the mine owners. However, the Native Affairs Department proved to be effective in the matter of mining compounds. When they realized the horrible health conditions and the high death rate in the compounds, they pressed for reform. The situation began to improve, but the department still treated mine owners

¹¹ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, p. 57.

¹² Ivi, p. 53.

¹³ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, pp. 143-144.

¹⁴ A. Jeeves, “The Control of Migratory Labour on the South African Gold Mines in the Era of Kruger and Milner”, *Journal of Southern African Studies* (1975), 2 : 1, p. 4.

¹⁵ Ivi, pp. 4-5.

with great leniency.¹⁶ Moreover, “when Africans failed to come to the mines on the prescribed terms in the required numbers, the government arranged for laborers to be imported from China.”¹⁷ By 1907, 63 thousand Chinese workers were employed in the mines, which increased the profits of the state and of investors but undermined the power of Africans.¹⁸

Thus, in the reconstruction period Africans’ conditions did not improve. On the contrary, new policies were introduced to better control the native population and maintain white supremacy in South Africa. As Legassick stated, “it was during the reconstruction period that many of the guidelines of twentieth-century segregationist policies were set out, both in relation to the town and countryside.”¹⁹

3.1.1. Segregation in the mines

In the post-war period, the division between skilled and unskilled labour in the mines was based on racist beliefs. A policy introduced in 1904 prohibited white workers to be employed in general unskilled jobs. Instead, they had different functions, income and status than black workers with the same skills, and were separated from them.²⁰

Milner justified this policy by saying that

the position of the whites among the vastly more numerous black population requires that even their lowest ranks should be able to maintain a standard of living far above that of the poorest section of the population of a purely white country.²¹

In reality, this labour policy was the result “of the different 'class positions' of white and African workers and the class interests of mining capitalists.”²² Africans, being a conquered population, were seen as a source of labour and had been subjected to colour bars, which were repressive laws and practices justified by a racist ideology. On the other hand, white workers, although differentiated in terms of skill, were all politically free, as they were not subject to the system of forced labour, could organise

¹⁶ A. Jeeves, “The Control of Migratory Labour on the South African Gold Mines in the Era of Kruger and Milner”, *Journal of Southern African Studies* (1975), 2 : 1, pp. 14-17.

¹⁷ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 145.

¹⁸ Ivi, p. 144.

¹⁹ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, p. 72.

²⁰ R. Davies, “Mining Capital, The State and Unskilled White Workers in South Africa, 1901-1913”, *Journal of Southern African Studies* (1976), 3 : 1, pp. 43-44.

²¹ Reply to deputation from White Labour League, 2 June 1903, Headlam II, p.459, quoted by S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, p. 66.

²² R. Davies, “Mining Capital, The State and Unskilled White Workers in South Africa, 1901-1913”, *Journal of Southern African Studies* (1976), 3 : 1, p. 43.

strikes and political parties, and could vote. In addition, African labour was much cheaper and thus more attractive for mining companies, compared to white labour. For this reason,

the policy of non-employment of whites in general unskilled work, and thence 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.²³

Before the war, white workers were still relatively few. However, in the post-war period the number of unskilled whites in mining towns increased greatly. Some of them came from the rural areas of South Africa, others were general workers, clerics or other professionals who had come during the “gold rush” period and then were displaced with the outbreak of the war. Many others were volunteers and soldiers that had fought in South Africa and were discharged. Due to the policy of non-employment of unskilled whites, this increasingly large number of whites couldn’t start working in unskilled positions at the mines and remained unemployed. At the same time, the entire mining industry was experiencing a shortage of African labour.²⁴

This critical situation generated the question of whether the positions that were formerly of African workers could be filled with white workers.²⁵ The problem with this idea was that whites had a much higher subsistence cost compared to Africans, which made their mass employment non profitable.²⁶

The solution that the government found was to allow the employment of only a limited number of unskilled whites, who would with time and experience become skilled workers. This idea succeeded because unskilled whites saw their current position as a way to obtain an eventual employment in a skilled position, and because of this incentive they worked more intensely compared to Africans, who had no opportunities to move upwards in their mining job.²⁷

Having whites and Africans working together might have decreased the power of the incentive for whites, and therefore their intensity of labour. Thus, mining companies concluded that it was necessary to keep white and native workers separate. Segregation

²³ Davies, “Mining Capital, The State and Unskilled White Workers in South Africa, 1901-1913”, *Journal of Southern African Studies* (1976), 3 : 1, p. 44.

²⁴ Ivi, pp. 46-47.

²⁵ Ivi, p. 48.

²⁶ Ivi, pp. 51-53.

²⁷ Ivi, p. 57.

was an idea that many mine leaders had supported for years, as they were concerned about “the effect which fraternization might have had on the control over African labour, which depended heavily on overt coercion and racist ideology.”²⁸

However, there was still a shortage of labour to fill. Thus, between 1904 and 1906 the mining industry conducted a mass importation of Chinese workers. Overall, “Chinese labour was more expensive because the combined cost of recruiting, transport, wages, food, social infrastructure, and accommodation exceeded the cost of African labour.”²⁹ However, Chinese labour was more profitable. They were employed for much longer periods than black workers, thus they were able to acquire the necessary skills to use the more complex equipment, which reduced working costs.³⁰

3.1.2. The agrarian reforms

Milner’s administration did not solely focus on the mining industry, but also worked on other pressing matters, like the necessity for an agrarian reform.

The war was destructive for South African agriculture, as the troops burned farms, cut down trees and depopulated the entire countryside. After the war, waves of drought and animal diseases killed up to 95% of South African cattle. Thus, “the entire rural economy of the Transvaal and Free State required rebuilding.”³¹ Despite the general failure of his regime, Milner was able to achieve some of his objectives regarding agriculture, namely “increased production, land resettlement, and the expansion of white farmers’ agricultural and pastoral reach.”³²

The state created new departments to direct the rural economies and improve their productivity. There was the formation of forestry programs, which created a system of forest conservation.³³ English-speaking settlers were brought to the rural Transvaal and Orange River Colony, which constituted an assistance to the people in the countryside.³⁴

There was also the establishment of local agricultural societies which aimed to find scientific solutions to farmers’ problems. Before the war, the conditions of white

²⁸ R. Davies, “Mining Capital, The State and Unskilled White Workers in South Africa, 1901-1913”, *Journal of Southern African Studies* (1976), 3 : 1, p. 57.

²⁹ Ivi, p. 65.

³⁰ Ibid.

³¹ B. Bennett, F. Kruger, *Forestry and Water Conservation in South Africa: History, Science and Policy*, ANU Press, 2015, p. 59.

³² Ivi, pp. 54-55.

³³ Ivi, p. 59.

³⁴ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, p. 70.

farmers had reached a crisis, and the war only worsened their conditions. By 1908, new methods of preparing the soil, new seeds and new techniques, had greatly improved agricultural production.³⁵

3.2 The Unification of South Africa

After the departure of Milner from South Africa, Lord Selborne was appointed as High Commissioner as his replacement. During his administration the policies initiated by Milner continued, but his approach was much more flexible. Selborne adapted to the change of political climate that occurred in December 1905, when Liberals won the elections and came to power. The Liberal party, although following imperial ideas, believed that imperialism should be based on the principles “of liberty, justice and self-government.”³⁶ Thus, after the Liberals’ victory, the political situation in South Africa changed, becoming more open to the possibility of a reform. Most importantly, the idea of creating a closer union between the four colonies was reestablished. However, many politicians feared that, if the process of creating this union did not start immediately, the union would not be achieved.³⁷

The thought of federating the South African colonies had already been attempted, first in the 1850s and then in the 1890s, when Rhodes attempted to unite South Africa under the British Empire with the Jameson Raid. In 1906, however, the possibility of federation was more achievable, for Britain’s new government would facilitate the process, and not try to control it. In fact, the previous attempts had failed because they were imposed, while “federation would only succeed if it was actively supported by a majority of those directly affected.”³⁸

In October 1906 Feetham, a Kindergarten member, began to create a plan for a South African Union or Federation. In order to create the conditions to support a Union, the Kindergarten had to unite English-speaking South Africans, reestablish the

³⁵ S. Marks, S. Trapido, “Lord Milner and the South African State”, *History Workshop* (1979), 8, p. 70.

³⁶ S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, p. 58.

³⁷ Ivi, p. 58.

³⁸ Ivi, p. 59.

relationship between Boers and British, which had been deteriorated by the war, and reconsider the role of South Africa in the Empire.³⁹

One of the main problems present in the South African community was the divisions among English-speaking South Africans.

The absence of a clear sense of South African English identity can be explained by the fact that the primary allegiances of English-speakers tended to be expressed either with the British empire (of which South Africa was a part), or with their colonial locality (Cape, Transvaal, Natal) which was itself an extension of the empire.⁴⁰

In particular, the Cape colony had been a part of the British Empire from the early nineteenth century, which created a very rooted sense of patriotism among its English-speaking inhabitants. Still, in the 1880s the Cape government had facilitated a political cooperation between English-speaking and Afrikaner politicians. In 1889 a strong alliance developed between Rhodes and Hofmeyr, the leader of the Afrikaner Bond, an anti-imperialist political party. In 1895, when Rhodes tried to overthrow the Afrikaner government in the Transvaal, this alliance shattered, but the fact that it existed proved a sharing of ideals. Many members of the Afrikaner Bond deeply desired a South Africa “in which Cape Afrikaner ethnicity, white Cape colonialism, pan-Afrikaner solidarity, and British imperialism, lived side by side, not without tension, but on the whole quite happily.”⁴¹ Rhodes’ betrayal was not only felt by Afrikaners, but also by English-speaking liberals in the Cape, who identified as South Africans first and as English second. On the other hand, English-speakers in Natal were least likely to consider themselves South Africans and did not contribute much to the creation of the Union.

English-speakers in the Transvaal, known as Uitlander (foreigner), dominated commerce, trade, and the gold mining industry. After the Anglo-Boer War, their identity was unstable and their loyalty to the Empire was influenced by the political events. Due to this instability, it was in the Transvaal that the research of a common South Africa English identity began. The Kindergarten played a crucial role in this project, as “they occupied key positions in the administration of the Transvaal, the region where South Africa's economic wealth was concentrated.”⁴²

³⁹ S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, pp. 59-60.

⁴⁰ Ivi, p. 62.

⁴¹ Ibid.

⁴² Ivi, p. 63.

Another issue that needed to be solved before a possible Union was the broken relationship between the Boers and the British. Het Volk considered suspicious the Kindergarten's association with imperialist interests, and asked to participate directly in the union process. Thus, in 1906 the Kindergarten realized that a closer union could only be achievable with the cooperation of Afrikaners.⁴³

This push towards cooperation started with the publication of "Studies in Colonial Nationalism" by Jebb, in 1905. According to him, "the Empire could only be sustained by working in association with local nationalisms; to resist these forces was futile."⁴⁴

Another important work was the "Memorandum" by the High Commissioner himself, Lord Selborne. In the opening passage the author revealed the need of the two principal races of South Africa, British and Boers, to overcome their differences. The nine following chapters examined various arguments in favour of a centralised government. The Memorandum was a very effective piece of propaganda, able to appeal to the majority of the electorate.

The Union process was facilitated further by the creation of a network of Closer Union Societies, which started to spread in 1908. By March 1909 sixty of these organisations existed in towns throughout South Africa, creating pamphlets and arranging lectures and discussions.⁴⁵

To reach even more public, the Kindergarten produced a journal, the *State*, first published in 1907. The *State* contributed to an explosion of cultural activity, giving space to historians, artists, photographs with the desire to see South Africa united under the British Empire. The *State* debated all kinds of contemporary political issue, including "the educational system, the role of white labour, segregation and the future of the African franchise, the 'Asiatic question', imperial naval defence, the economy, and so on."⁴⁶

An important decision taken by the British government to facilitate the union was to accept Het Volk's request for self-government in the Transvaal, with the condition that, in the Transvaal's elected parliament,

⁴³ S. Dubow, "Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10", *History Workshop Journal* (1997), p. 65.

⁴⁴ Ivi, p. 66.

⁴⁵ Ivi, pp. 68-69.

⁴⁶ Ivi, p. 70.

each electoral division contained the same number of voters (which favored the British element, with its high proportion of single men), as distinct from the same number of white inhabitants (which would have favored the Afrikaners, with their large families).⁴⁷

This was a measure taken to preserve British supremacy. However, the government miscalculated the outcome of this election. The majority of working-class British Transvaalers voted for the Transvaal National Association, allied with Het Volk, and not for the Progressives, which aligned with the imperial interests. Afrikaners voted for Het Volk, which won the majority of seats in the new parliament. As a result, “five years after they had been forcefully incorporated in the British Empire, Transvaal Afrikaners regained control of the territory as a self-governing British colony”⁴⁸

Anti-imperialist political parties won the elections in the Orange River Colony and in Cape Colony as well. Once in office, Het Volk was able to politically unite the Transvaal with the other self-governing South African colonies. In May 1908, the four parliaments sent delegates to a national convention, where they prepared a constitution for a united South Africa. The constitution built the base of a unitary state with parliamentary sovereignty. The four colonies became the provinces of the Union of South Africa, a British dominion, with a central government that had sovereign power over all local institutions.⁴⁹

To summarize the post-war period, we can affirm that, between 1902 and 1904, the victory of British imperialism over the colonies seemed definitive. However, the formation of Het Volk revived the political life of the former republics and was able to achieve a self-government in 1907. A year later, South Africa’s public discourse was transformed and the tensions between Boers and British were replaced by a reconciliation, which culminated in the South African Union in 1910.⁵⁰

The period of Milner and of his Kindergarten was interpreted by many historians only in terms of its segregation policies and of its role in the development of capitalism. However, this view is limited. The interests of mining capitalists in many ways coincided with Milner’s objectives; they both shared the same commitment to economic development and the same ideas on progress and on how to administrate the state.

⁴⁷ L. Thompson, *A History of South Africa*, Yale University Press, Forth Edition, 2014, p. 147.

⁴⁸ *Ibid.*

⁴⁹ Ivi, pp. 148-150.

⁵⁰ S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, p. 76.

However, imperialist interests and capitalist interests were not the same. This interpretation “neglects the possibility that Milner attempted to use the wealth of the Rand for his own ends; and it finds it difficult to conceive of 'imperialism' as anything other than an economic phenomenon.”⁵¹

On the other hand, we can affirm that the Kindergarten played a crucial role in the development of segregation policies.

Their conciliation of Afrikaners and their commitment to 'equal rights' did not find a parallel in terms of a more enlightened attitude towards blacks and they never questioned the assumption that South Africa was a 'white man's country'.⁵²

The discussions and pamphlets propagated by the Kindergarten showed their Darwinist ideas regarding natives. They believed it was necessary to eliminate Africans' political rights and create functioning policies of segregation.

The Kindergarten's desire to create racial segregation in South Africa, however, was not to help capitalist development. Rather, these segregation policies were considered a way to facilitate political unification. “The Kindergarten seized upon the 'native' (as well as the 'Asiatic') question as a means of persuading white South Africans to bury their internal differences.”⁵³

Thus, the creation of an inclusive white nationalism was determined by the exclusion of Africans from the political life of the state.⁵⁴

3.3 the Natives Land Act

In the early twentieth-century South Africa, politics and race were intertwined in a way that led to the intense segregation of natives. The turning point occurred in 1913 with the passage of one of the most important segregation laws of the century, the Natives Land Act. This Act was the first major law which would later become part of the structure of apartheid.⁵⁵

The most important provision contained in the Act stated that

⁵¹ S. Dubow, “Colonial Nationalism, the Milner Kindergarten and the Rise of 'South Africanism', 1902-10”, *History Workshop Journal* (1997), 43, pp. 76-77.

⁵² Ivi, p. 77.

⁵³ Ivi, pp. 77-78.

⁵⁴ Ivi, p. 58.

⁵⁵ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, p. 65.

Africans could no longer buy, lease, or in any other manner acquire land outside a scheduled area, except by acquiring that land from another African, and Europeans were prohibited from buying or leasing land from an African. Only Africans could buy land within the scheduled areas.⁵⁶

It also included a “Schedule of Native Areas”, which reported all the African reserves that had been established in the various provinces of South Africa before 1913. The Act reported the boundaries of these reserved areas, which in total covered about 22 million acres (about 7%) of land in the four colonies. According to the Act, for the following two years a commission would study the impact of the legislation and report to the Parliament any additional land that should be added to the schedule of areas.⁵⁷

The process of dispossessing Africans of their land had already taken place before 1913, when white settlers expanded to the interior of South Africa and conquered land with a mixture of violence and legislations. During this process, British colonizers reserved some parts of land for the colonised African population, which became known as reserves. So, the Land Act did not cause the dispossession, but just recognized it. Moreover, at the time it was believed that more land would be given to Africans within a few years, even if that did not happen until 1936.

Thus, in the short-term, the Act had a limited impact, as it was not designed to directly take away land from Africans, but to “change the terms on which Africans could occupy white-owned land and to extend the areas reserved for Africans.”⁵⁸ Specifically, its main objective was to control which forms of tenancy were allowed on white-owned farms.

However, in the longer term the Act was used to further segregate the land and marginalize African reserves, and became a model for the creation of the future discriminatory laws in South Africa ⁵⁹

The long-term results were worse than anyone anticipated. Rapid population growth among Africans and soil erosion in the reserves (partly due to over-grazing) seriously undermined African agriculture. And, after 1948, the reserves became the cornerstone of a key part of the apartheid system, the homelands.⁶⁰

⁵⁶ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, p. 68.

⁵⁷ Ivi, pp. 68-69.

⁵⁸ W. Beinart, P. Delius, “The Historical Context and Legacy of the Natives Land Act of 1913”, *Journal of Southern African Studies* (2014), 40 : 4, pp. 667-668.

⁵⁹ Ivi, p. 668.

⁶⁰ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, p. 70.

3.3.1. The “native question”

At the time of the Union, some Africans were well-educated and worked as teachers, lawyers, doctors and journalists. However, the Cape colony was the only province where they were allowed to vote, and only if they met the requirements in property and income. Their right to vote existed in Natal but was severely restricted, and in the Orange Free State and the Transvaal Africans could not vote. Moreover, Africans could not participate in the elections for the Union Parliament.⁶¹

Whites exercised substantial control over the lives of Africans. Very few whites believed that there should be equality between Europeans and natives in South Africa, and most believed that “Africans were decades behind whites in their efforts to become “civilized.””⁶²

In the last three decades of the nineteenth century, Africans were conquered by Europeans and lost most of their land. By 1910 two million Africans, about half of the African population in South Africa, lived in reserves, some of which were overcrowded. Africans could acquire land in the Cape, Natal and the Transvaal, but overall owned only 2 million acres in the Union. In the Transvaal and the Orange Free State, most rural Africans lived and worked on the land owned by Europeans.⁶³ In fact, black people predominated on the majority of white-owned farms in South Africa. Many Africans were sharecroppers, tenants who farmed on white-owned land and, instead of paying rent, gave a portion of their crop to the landowner.⁶⁴

White farmers profited from sharecropping relationships because the exploitation of black production involved lower risks and because they relied on black tenants’ skills. Despite this, the white farming community condemned independent black sharecroppers. They assumed that the success of black farming on white-owned land was responsible “for the failure of so many whites to survive as rural producers”⁶⁵ They feared that, without suppressing the black rural economy, white control and authority would collapse. “Whites saw the dominance of foreign capital and black control of

⁶¹ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, p. 83.

⁶² Ivi, p. 84.

⁶³ Ivi, pp. 82-84.

⁶⁴ W. Beinart, P. Delius, “The Historical Context and Legacy of the Natives Land Act of 1913”, *Journal of Southern African Studies* (2014), 40 : 4, pp. 670-671.

⁶⁵ T. Keegan, “Crisis and Catharsis in the Development of Capitalism in South African Agriculture”, *African Affairs* (1985), 84 : 336, p. 384.

market production as the twin-edged sword which was threatening to overwhelm them.”⁶⁶ So, in the years before the Act racial tensions and hostilities in the South African countryside increased, and white supremacy was seen as the only possible solution to maintain the country’s stability.⁶⁷

Between 1910 and 1913 whites developed the idea of segregation. Political parties, newspapers and religious figures promoted its efficacy and debated on the degree with which it needed to be introduced. Many firmly believed that land segregation was in the Africans’ best interests as well. Even some African leaders were not opposed to territorial segregation, but only if the land was to be equally divided. Thus, they strongly opposed the Natives Land Bill and denounced the passage of the Act. In any case, evidence suggests that segregation was supported by the vast majority of the Parliament members, and that it influenced the passage of the Natives Land Act.⁶⁸

Overall, we can affirm that the Natives Land Act passed because it promoted segregation and because it served the economic interests of white farmers, since, without the support of the state and the freedom to purchase land, the production of African sharecroppers remained very limited and could not compete with white production.⁶⁹ According to Feinberg, there is another factor that determined the passage of the Act, which many historians failed to consider: the political instability present in the South African Union between 1910 and 1913.⁷⁰

3.3.2. The political situation

As stated before, the South African Union was a product of the collaboration between the British government and Afrikaner politicians, who put aside their differences to create a stable and united state. This collaboration continued in the years after the Union. The British government appointed Botha, a Transvaal political leader and one of the founders of the Het Volk, as the first prime minister of the South African Union. One of his first tasks was to form the Union Cabinet, which took office on May

⁶⁶ T. Keegan, “Crisis and Catharsis in the Development of Capitalism in South African Agriculture”, *African Affairs* (1985), 84 : 336, p. 375.

⁶⁷ Ivi, pp. 374-375.

⁶⁸ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, pp. 85-88.

⁶⁹ W. Beinart, P. Delius, “The Historical Context and Legacy of the Natives Land Act of 1913”, *Journal of Southern African Studies* (2014), 40 : 4, pp. 684-685.

⁷⁰ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, pp. 66-67.

31, 1910. The Cabinet “included four men from the Cape, three from the Transvaal, and two each from Natal and the Free State”⁷¹. Among them was Hertzog, an Orange Free State politician, a firm supporter of the Afrikaner cause. He engineered the passage of a law that required all students in the Orange River Colony to study Dutch as well as English, which alienated the English-speaking minority in the colony. In his battle for equality between Boers and English, he also pressed for the Union constitution to recognize English and Dutch as the official languages. Hertzog’s outspoken Afrikaner nationalism was not supported by the more moderate members of the Cabinet. Tensions within the Cabinet culminated at the end of 1912 and resulted in the creation of the conditions for the passage of the Natives Land Act of 1913.⁷²

Between 1910 and the end of 1912, the Cabinet was already divided into factions, one led by Hertzog, one by Sauer, an Afrikaner politician very open about his support of Africans’ political rights, and one in the middle led by Botha. The internal divisions were aggravated by the different opinions over African policy.⁷³

Difficulties in the Cabinet increased when, in June 1912, Hertzog was appointed to the Native Affairs Department, producing very harsh policies towards Africans. Another crisis, more serious, developed in the Cabinet in December 1912 because of Hertzog, this time regarding the relationship between Afrikaners and English-speaking South Africans. Hertzog believed that Afrikaners and English-speakers should follow two separate policies and live by separate institutions, an idea that contradicted the policies of cooperation between whites promoted by Botha.⁷⁴ Hertzog was a popular politician and had a strong support from a part of the Afrikaner electorate. Many Hertzog supporters, mostly from the Orange Free State, expressed no confidence in Botha’s government and demanded his resignation. In particular, they condemned Botha’s inability to introduce a proper native law.⁷⁵

The crisis of December 1912 risked damaging the future of white South Africa, as it created political instability and divisiveness between Afrikaners and English-speakers.

⁷¹ H. M. Feinberg, “The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century”, *The International Journal of African Historical Studies* (1993), 26 : 1, p. 71.

⁷² Ivi, pp. 72-74.

⁷³ Ivi, p. 75.

⁷⁴ Ivi, pp. 77-78.

⁷⁵ Ivi, p. 99.

So, when Hertzog's supporters pressured the government to introduce the Act, the government decided to appease them, as they feared that not agreeing to their demands would create a political split among Afrikaners, and the loss of support from the Parliament members from the Orange Free State.

Political caution became the guiding force during the first half of 1913. And, when pro-Hertzog Afrikaners promoted the legislation, on a subject to which few were opposed, the government found it politically expedient to go along.⁷⁶

Historians have debated on why the population of Orange Free State and their members in Parliament were so in favour of the Natives Land Act. A possible response is that the Orange Free State had the highest percentage of South-African-born whites, and the highest percentage of white farmers, who would benefit from land segregation. However, the Orange Free State had the smallest number of Africans on African-owned land and in reserves, and also the smallest number of rural Africans.⁷⁷

The real reason behind the support for the Act was their prejudiced attitude towards Africans. According to Duncan, the African should accept "the status of a servant and... not presume beyond it. He is then in his place and all is well"⁷⁸ Senator Schreiner said that "way back behind this measure lurked that which was ever the worst human motives: apprehension; fear."⁷⁹ He believed that whites were simply acting on the basis of self-preservation.

With the passage of the Act the government was able to achieve its political survival and maintain unity in South Africa. However, the Natives Land Act had devastating consequences for the African population, and for decades was denounced by African leaders without success.⁸⁰

⁷⁶ H. M. Feinberg, "The 1913 Natives Land Act in South Africa: Politics, Race, and Segregation in the Early 20th Century", *The International Journal of African Historical Studies* (1993), 26 : 1, pp. 108-109.

⁷⁷ Ivi, p. 102.

⁷⁸ Ivi, p. 103.

⁷⁹ Ivi, p. 108.

⁸⁰ Ivi, pp. 108-109.

CONCLUSION

During the nineteenth-century, South Africa experienced a rapid development, which drastically changed its economy and society. This process has been subject to numerous studies, each taking into consideration the economic, political, or racial dynamics present in South Africa at that time. Despite their different interpretations, all these studies tend to agree that the country's development is closely connected to the growth of the gold mining industry.

For centuries, South Africa was a rural country. The native population and the Boers – descendants of the seventeenth-century Dutch settlers – sustained themselves with agriculture, and the only forms of commercial activity existed in Cape Colony, which belonged to the British Empire. The discovery of diamond mines in the region of Kimberley generated a new set of economic interests. Cecil Rhodes and other industrialists invested in the creation of a diamond mining industry, forming mining companies to organize the extraction and the sale of diamonds and, overall, generating a \$40 million profit. This new class of industrialists demanded the control of the black working class, and protested until the government introduced the pass-laws system, a series of legislations limiting African workers' rights.

The diamond industry started South Africa's development, but it was gold mining that dominated the country's economy for more than a century. Gold was first extracted from outcrop mines, but when these were exhausted the gold mining industry focused on the gold present in the deep-levels, which required much more capital. Despite the costs, deep-level mining attracted many diamond capitalists and European investors, who participated in its development and transformed gold mining into a large-scale capitalist industry. Large-scale production required a large supply of cheap black labour force, which was recruited using coercive methods, like the imposition of taxes on Africans and the dispossession of their land.

The gold mining industry transformed the economic and racial structure of South Africa but greatly impacted the global economy as well. Between the 1880s and the 1910s, the gold mines of the Transvaal became the largest producer of gold internationally, in a world where gold was the base of the monetary system, the gold standard. South African mining companies sent their newly mined gold to the London

bullion market, which benefited the United Kingdom because controlling gold flow meant maintaining British supremacy over international finance.

By the end of the nineteenth-century, however, British control over the Transvaal was loosening due to the decline of Britain's international economic power, challenged by the competition of other world powers. Feeling threatened, Britain concluded that the best way to maintain control over the South African gold mining industry was to create a united South African colony, self-governing but controlled by the Crown.

The annexation of the Transvaal would not have served only the imperial interests, but also the economic interests of part of the gold mining industry. In 1895, a group of conspirators almost entirely composed of mining leaders - including Cecil Rhodes - organized the Jameson Raid to overthrow the Transvaal's government. Historians have thoroughly debated on the causes of the Raid. Some have suggested that the mining leaders who participated in the Raid wanted to serve the imperial cause. Blainey argued that, in reality, they were unsatisfied with the Boer government and wanted to replace it with another, more willing to satisfy their needs.

Even though the Jameson Raid failed, tensions between the gold mining industry and the Boer government did not ease. On the contrary, mining leaders strengthened their alliance with the British Empire in anticipation for the beginning of the Anglo-Boer War, which would ultimately lead to the unification of South Africa under the Empire. Despite being addressed as a white man's war, the conflict came to affect the entire South African population. Natives were used in support of the war and in active combat by both sides, but, after the war, their political rights were sacrificed to facilitate reconciliation between the Boers and the British. The war heavily impacted the Boer population as well. During the conflict, the British troops burned many Boer farms and interned civilians in "concentration" camps with high death-rates.

In the post-war period, the British government assigned the task of reconstructing South Africa to Lord Milner. For many years, historians considered Milner's administration a failure, as he was not able to establish a British dominion in the former republics. However, Marks and Trapido have argued that Milner's state, on the long term, achieved one of its objectives, which was the development of a modern capitalist state capable of serving the interests of the gold mining industry and the Empire. To maintain British control over international gold flow, Milner continued Britain's alliance

with the South African mining capitalists, providing them cheap and controlled African labour through a series of segregationist policies. Segregation helped capitalist development, but it was also considered a way to facilitate the unification of South Africa. The war had destroyed the relationship between Boers and British, but highlighting the differences between the white and black race would reduce the differences between Boers and British and make them collaborate to transform South Africa into a united colony.

Thus, in the post-war period, Africans were subjected to segregationist policies in the mines as well as in the countryside. In 1913, the government introduced the Natives Land Act, according to which Africans could no longer buy land from whites, and vice versa. The problem with this legislation was that Africans' reserved areas amounted to only 7% of the total South African land, even though the African population was four times bigger than the white population. The impact of the Act was devastating for the native community. Today, the Natives Land Act is considered the first major law on which the apartheid system was built.

To conclude, we can affirm that the development of the gold mining industry in South Africa had a profound socio-economic impact on the country. On some levels, the results of this development were extremely successful, for South Africa experienced a rapid industrialization and economic growth. On the other hand, the same process generated conditions of poverty and exploitation still present today. The capitalist interests of the gold mining industry reduced native South Africans to mere work force, stripping away their rights and creating the base of the apartheid system. Moreover, gold mining played an important role in the outbreak of the Anglo-Boer War, a conflict whose consequences were devastating for South Africa and its population.

For a long time, the Anglo-Boer War was considered a product of the actions of powerful individuals, motivated by the imperial ideologies of the time. Many studies, however, have shown that these ideologies were used to mask the economic reasons at the root of the conflict. Britain needed to control the South African gold mines in order to maintain its international economic and financial power, and was prepared to achieve this control by any means necessary, from military action to racial segregation.

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