

mobilisation of the people to struggle for it, there has been a resting on the oars. Half a year has passed since the Congress of the People, and still the breach that it made in the armory of reaction has not been followed up with organisation. In the last days of the old year, the African National Congress meeting in annual conference at Bloemfontein could devote hours of time to the debate on the admission of the "Bantu World" reporter, and do no better than postpone discussion on the vital task of mobilising for the Freedom Charter to a future conference in April. It is not possible to rouse the country by procedural debates, while the burning issue of the moment is the new threat of passes for women. It is not possible to break through the lull by discussing freedom of the press, while the meagre voting rights of the Coloured people are being destroyed. This way lies disaster. Once the correct policy has been decided, says one of the world's greatest political leaders, organisation decides everything. This is the lesson which needs to be taken to heart and acted upon by all those who seek their liberation.

This is the beginning of a new year. And the correct policy has been decided upon in the Freedom Charter. The first step has been taken. And now organisation decides everything. Organise! Organise! And organise again! This is the message that must be driven home to the whole opposition movement in South Africa. And if it is learnt and acted on, the lull which marked the opening of the new year will prove to be the herald of the storm to follow.

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# THE ROLE OF CAPITALISM IN SOUTH AFRICAN HISTORY

By H. LAWSON

**I**N SOUTH AFRICA, perhaps more blatantly than elsewhere, the falsification of History has long been used as a propaganda weapon by the ruling groups. Oppression is justified by the liberal use of historical myths. Different "schools" among our historians reflect certain divisions among the ruling groups themselves, each historian acting as an official apologist for one or other of these groups. Thus there is the traditional Imperialist school of Theal and Cory which is still the basis for a lot of racialist propaganda in the schoolroom; for academic purposes the liberal historians like MacMillan are more suitable, because they abhor the crudeness of the old school and replace it with all sorts of pleasant illusions; and finally there is the growing squad of historical scribes in the service of Afrikaner Nationalism who live in a world of myth that is all their own.



**To counter the propaganda weapons of their rulers it is necessary for the oppressed people to find out the truth about their own history and to expose the role played by the system which enslaves them. This they must do, not only to oppose the lies spread by their rulers, but also to deepen their own understanding of the historical process of which they are a part.**

## **MERCANTILE CAPITALISM**

### **What is Capitalism?**

There is an unwritten rule among our ruling class historians to ignore, or at least play down, the role of economic factors in South African history. This tradition unites the Imperialist, the Nationalist and the Liberal historian. It is always safer for the established order to present history in terms of the clash of policies, personalities and philosophies than to reveal the naked material interests upon which centuries of oppression have been based.

In order that we should gain a correct appreciation of the economic forces at work in our history it is necessary to have a scientific understanding of the nature of capitalism. It is important not to make the same mistake as the Unity Movement historians and to suppose that one can make up by prejudice for what one lacks in scientific understanding.

**Capitalism is not a doctrine existing in the minds of certain people, nor is it a 'motive' or 'purpose' as is stated in Unity Movement histories. Capitalism is not a thing at all. It is essentially a system of social relations into which people enter independently of their will and desire. The capitalist starts off with a certain amount of money or capital. He uses this to buy something on the market, some commodity, as it is called. But he buys it, not in order to use it, but in order to make a profit out of it. This he can only do if he sells again to someone else at a profit, thus ending up with more capital than he started with. Capitalism therefore always involves a certain relationship between buyers and sellers of commodities.**

It is easy to see that capitalist relations would not have been possible in the tribal societies of southern Africa. Their economy was based on subsistence farming, not on the production of commodities for a market. Moreover, they lacked a convenient medium of exchange to act as money, and the absence of private property in land acted against the accumulation of too much wealth in one hand. Capitalism was therefore not an indigenous growth in South Africa, as it was in Europe; it was introduced from outside. But the transplanted capitalist system could only thrive on the soil of Africa if it destroyed the old order and created for itself the conditions necessary for its own existence. To create these conditions no means were too violent, too barbaric or too bloody.

### **Mercantile and Industrial Capitalism**

In economics it is usual to distinguish between the two spheres of production and exchange. Now it is a historical fact that capitalist relations tend to appear in the sphere of exchange long before they



appear in the sphere of production. The world knew merchants long before it knew manufacturers and industrialists. For a long time goods were produced by tribal, slave or feudal societies, but they were exchanged by the action of merchant capital. These merchants were generally little better than robbers and usually lived by cheating the producers. Such were the traders of Ancient Rome, of Arabia, India, Portugal and Holland.

The most important feature of merchant capital was its parasitical nature. It brought about no improvements in productive technique and so it did not increase human wealth as a whole. It left ancient and inefficient systems qualitatively unchanged. **Capitalism only became capable of revolutionising the world when it took control of production as well as exchange.** When the capitalist began investing in factories, mines and communications the way was open to the development of modern industrial techniques which were destined to destroy more primitive methods all over the world. But it must never be forgotten that much of the wealth originally invested in the new industries had been obtained by the robber methods of mercantile capitalism of which we will shortly quote a few examples.

#### **Arabs and Portuguese**

Long before 1652, merchants from Persia, India, Arabia and even China had been engaged in active commercial relations with the peoples of south-eastern Africa. Through thriving and important trading centres like Sofala (near the present Beira) the merchants of the east were in regular contact with African societies south of the Zambezi. The markets of the east provided an important stimulus to the development of the African mining industry which has been described by M. A. Jaspán in *Liberation*, Nov., 1955. On the other hand, the prevalence of the slave trade was always a source of instability and disintegration for the African societies. As early as the ninth century A.D. the economy of certain Arab states had come to depend heavily on the import of black slaves from the east coast of Africa. Towards the end of that century there occurred a serious revolt of the black slaves in the Caliphate of Baghdad which took many years of full-scale warfare to put down and which decisively undermined the social basis of that great state, preparing the way for its downfall.

The appearance of the Portuguese off the coasts of southern Africa was a great calamity for the African people affected by their activities. The Portuguese adventurers came from a completely feudal country. Their society was not economically superior to that of the Arabs and culturally they lacked the achievements and traditions of the great civilisations of the East. Their ruthless methods won them certain initial advantages, but the Arabs soon re-established their position. The sixteenth and seventeenth centuries were marked by the intense rivalry between Arab and Portuguese traders on the East African coast. Each tried to monopolise the gold exports of the African societies south of the Zambezi. As usually happens in such cases, the commercial rivals managed to buy over different chiefs to do their fighting for them. African satellites of the Arabs and Portuguese began to destroy one another and cause much misery to their people. This had serious reper-



cussions on their social order which declined considerably during this period.

Even more far-reaching in their effects on African society were the depredations of the Portuguese slave traders on the south-western coast of Africa. Here the proximity of the American plantations and mines provided an insatiable market for the human cargoes in which the Portuguese specialised. Basil Davidson in 'African Awakening' quotes the figure of 1,389,000 slaves taken out of Angola between 1486 and 1641, or an average of about 9,000 a year. In the eighteenth century the traffic increased to an average of 25,000 a year. The effects of this gigantic slave trade spread further and further inland. Fugitives from slave raids would drive out the inhabitants of inland areas in order to find a refuge for themselves, and then the new fugitives would displace other people further away, setting up a chain of disorder and migration which had repercussions throughout the entire sub-continent.

In general, merchant capital had a solvent or corrosive effect on the societies of southern Africa. It tended to destroy the stability of the old mode of life without however putting a new social order in its place. Such a new social order could only have been built on a new system of social production; but it is the hallmark of merchant capital that it leaves untouched the systems of social production which it joins by trade.

### **The Dutch East India Company**

The Dutch East India Company was a typical creation of mercantile capitalism. It was a ferocious plunderer which only destroyed and never built. So far from changing the system of slavery which it found in parts of its eastern possessions it only made it far more rigorous. According to Stamford Raffles, one-time Governor of Java, the history of the colonial administration of Holland "is one of the most extraordinary relations of treachery, bribery, massacre and meanness." Wherever the Company operated in the East, devastation and depopulation followed. Banjuwangi, a province in Java, numbered 80,000 inhabitants in 1750 and only 18,000 in 1811.

The most inhuman acts were perpetrated by the Company in the interests of "sweet commerce." The historian Welch writes of Governor van Diemen: "To reap large dividends he felt it necessary to destroy three-fourths of the spice trees by which the Natives lived; lest they should sell spices to the Portuguese or English." As for another Governor, Coen, one historian states: "How Coen considered the Natives is horribly evident from his own report of the conquest of the Banda Islands in 1621, a story of death and disaster surpassing in cold-blooded cruelty anything of the kind." Nor were the highest officials of the Company the only criminals in its service. Governor Coen himself paints a horrifying picture of "the drunken habits of soldiers and sailors, as well as of traders, their mutinies, piracies, mutual murders, their immorality and greed . . ." (Welch). According to Theal, the rank and file of the Company's servants "had a most disreputable name in Europe." Such was the material of the "volksplanting" of 1652 which was to bring the delights of Christian civilisation to the savage African continent!



It would be a mistake to suppose that the plunder gathered by the Company enriched the Dutch people as a whole. On the contrary, the capitalist clique which ruled the state exploited its own people with a viciousness at that time unsurpassed in Europe. According to Vlakke, "the Republic was ruled by an oligarchy of some 10,000 persons who succeeded in keeping all the political offices in their families . . ." One-seventh of the people of Amsterdam lived on charity as did one-third of those of Leyden. The flotation of bogus companies was a favourite technique of the financial oligarchy for ruining yet more of their countrymen. "By 1648," writes Karl Marx, "the people of Holland were more overworked, poorer and more brutally oppressed than those of all the rest of Europe put together." A very important factor in the decline of Holland and the Dutch East India Company was the ingrained tendency of the Dutch financiers to invest their money outside Holland especially in the growing industries of their great rival, England. Throughout the eighteenth century there was an enormous flow of capital from Holland to England, a state of affairs which could only end with the collapse of the Dutch economy. The Dutch financiers were of course running true to type; just like present-day counterparts they were at all times prepared to sacrifice the national interest where it conflicted with the demand for bigger profits.

### **The Company at the Cape**

Wherever it operated, the Dutch East India Company practised methods of obtaining wealth which were indistinguishable from robbery. These methods of "primitive accumulation" provided the capital that was necessary for the subsequent industrial development of western Europe. The industries of Europe were originally built with the loot gathered together from all the corners of the world.

The Hottentot inhabitants of the Cape had two articles of wealth to which the Dutch robbers soon turned their attention, their cattle and their land. Cattle robbing began even before the establishment of a permanent settlement. From the early years of the 17th century Dutch and English vessels had used Table Bay as a resting station, and their reports make it clear that the favourite method of obtaining fresh meat was by robbing the tribes of their cattle. Thus in 1649 two memorialists report to the Council of Seventeen; ". . . when the fleet commanded by Hon. E. Wollebrandt was lying in Table Bay, instead of recompensing the Natives somewhat for their good treatment of those wrecked in the *Haerlem*, they shot down 8 or 9 of their cattle and took them away without payment . . ." When van Riebeeck arrived, a group on the coast which they called the "strandlopers" had already been deprived of all their cattle, a fate which was soon to overtake their brothers further inland.

The ideology of the robber speaks out of every page of van Riebeeck's diary. Apologising to his employers in Holland for his show of friendliness to certain of the local population, he writes: "This we only did to make them less shy, so as to find hereafter a better opportunity to seize them—1,100 or 1,200 in number and about 600 cattle, the best in the whole country. We have every day the finest opportunities for effecting this without bloodshed, and could derive good service from



**the people, in chains, in killing seals or in labouring in the silver mines which we trust will be found here."** What a charming representative of his civilisation was van Riebeeck! The wealth of the Hottentots in cattle was a continual challenge to him, "... it is therefore very vexing to see such fine herds of cattle . . . although, were it permitted, we had this day opportunity enough to take from them 10,000 head . . . and we might make prisoners, without a blow, of many savages, in order to send them as slaves to India, as they constantly come to us without weapons." Such was the morality of "primitive accumulation."

In order that the Cape should fulfil its function as a refreshment station for the Dutch fleets it was necessary that the local subsistence economy be replaced by an economy which was geared to production for a market, that is to say, commodity production. This was the basis for the decision to establish a Dutch settlement at the Cape. But to carry on production certain means are necessary. When the Dutch immigrants arrived they owned neither land nor cattle and they lacked a supply of easily exploitable labour. The indigenous population therefore had to be forcibly deprived of their means of subsistence, their land and their cattle, and reduced to a poverty-stricken labouring class, which could live only by selling its labour. The process of robbery involved here went on all the time, punctuated at intervals by wars to crush the resistance of the local population to their enslavement.

After the first of these wars van Riebeeck reports in his Journal (April 6, 1660): "They (the Hottentots) dwelt long upon our taking every day for our own use more of the land which had belonged to them from all ages, and on which they were accustomed to depasture their cattle. They also asked, whether, if they were to come into Holland, they would be permitted to act in the same manner . . . they complained much that the colonists, and others living in the country, had given them much annoyance, with now and then perhaps stealing a sheep or a calf, taking away from them their beads, earrings and bracelets . . ." Within a few years the tribes near the Cape settlement had been so impoverished that no more cattle were to be obtained from them and "bartering" expeditions were organised to go further afield. These were in fact robbing expeditions, for from the first the Dutch preferred robbery to genuine barter. In a letter of 1659 van Riebeeck urges a full-scale war on the inhabitants "since stock breeding would be so greatly augmented through the seizure of the handsome young cows, little more attention would need to be paid to trading for oxen."

By 1690 the main resistance of the original inhabitants had been overcome; they had lost much of their land and most of their cattle. At the same time commodity production had been effectively established at the Cape which could now play its role in the colonial plans of the Dutch financiers.

**(The Second Part of this article will appear in our next issue)**