

find a class-divided society held together by a strongly centralized state. At its base were the peasants, whose labour had to support not only themselves but also a hierarchy of officials, a military establishment and the nobility. A monetary economy and the existence of a wealthy merchant class distinguished Mogul India from, say, Inca Peru. In Mogul India we have a society comparable in many ways to the societies of feudal Europe. There are no exact parallels, however, for social phenomena such as the caste system or Hinduism.

Other societies which Europe confronted were quite unlike its own, smaller in scale, and more egalitarian. Communities such as these were beginning to be incorporated into more powerful and hierarchically organized states long before the arrival of European merchants and colonists. Subsistence producers were forced to sustain others more powerful than themselves. This did not necessarily mean that they began to produce in different *ways* – simply that they had to produce *more*; technology and forms of co-operation often remained unchanged. What was lost was the *control* of the producers over the intensity of their work and over the fruits of their labour. Adoption of the rulers' language and customs (what we might call 'cultural incorporation') was sometimes total, but often the conquered peoples maintained a degree of cultural identity – as the Hindus retained their distinctiveness from their Muslim rulers in Mogul India.

In many respects, the empires which Europe created in Africa, Asia and Latin America were merely the last (to date) in a long line of imperial ventures. There were few areas in the world which had not previously been subject to overlordship by external forces, sometimes to the suzerainty of successive powers. We still need to ask why (for example) the Islamic empire fragmented and lost its impetus, while European imperialism transformed the world economy. There were, in fact, two vital differences between the new empires and the old.

1 Whereas in previous empires merchants had merely served the demands of wealthy minorities for luxury goods (and in the process accumulated hoards of wealth themselves), now these stocks of wealth began to go *directly into the transformation of productive processes in Europe* (the Industrial Revolution) rather than into consumption. This transformation did not occur everywhere – the empires of Spain and Portugal (like that of the Arabs before them) were largely of the ancient kind, and their decline when mercantilism had been exhausted is evident.

2 Territorial acquisitions in the old empires were generally a means to ensure the appropriation of a surplus, *whose manner of production was usually of little concern to the colonizers*, whether it was in the form of agricultural or artisan products or slaves. (This generalization is not of course applicable to areas which were settled by large numbers of Europeans – in particular North and South America, where indigenous peoples were either wiped out or their cultures largely destroyed). In the new phase of empire the growth of capitalism in Europe led to the need for a closer control over the type and extent of production in areas under imperial domination. The sixteenth and seventeenth century trade in silk and spices, plus the plunder of the treasures of other nations, began to give way to the more direct organization of the production of specific items, vital as raw materials or as intermediate inputs to European industry.

European imperialism was thus the harbinger of a new world economic order. The harnessing of the labour of many millions to the creation and recreation of *industrial capital* in Europe led to the development of capitalist societies in the West, but it transformed a large part of the rest of the world into a backwater, supplying raw materials for European industry and consuming European manufactured goods. It played a major part in creating economic dependency in many parts of the world, whose capacity to develop autonomously was – at least for a period – stifled.

## 11

COLONIALISM,  
CAPITALISM,  
DEVELOPMENT

HENRY BERNSTEIN

This chapter explores some of the connections between the three terms of its title. They are such encompassing terms that discussion of them in a single chapter is unavoidably schematic in (at least) two senses. One is that it is schematic conceptually: we cannot explore all the different meanings and interpretations of colonialism, capitalism and development, and of the connections between them. The other is that the discussion is schematic historically: it compresses a great deal of time and variation, to which different understandings and interpretations of colonialism, capitalism and development are applied and debated.

The method of the chapter then, to adapt the words of Gilson (1982, p.51), is to investigate some general themes rather than the complex variations that specific histories weave of them. The point, as Gilson demonstrates so well in his account of the diverse social histories of Islam, is that it is difficult to make sense of complex variations without a grasp of the general themes (processes, dynamics) that underlie them.

The central theme here concerns the implications for the rest of the world of the 'great transformation' in western (and especially north-western) Europe. As for Karl Polanyi (1957), who coined the term, that great transformation is understood as the rise of industrial capitalism from, roughly, the late eighteenth century. The emergence of industrial capitalism at that time, in what was hitherto a quite peripheral part of the world, had its own history, of course, including European

overseas expansion from the late fifteenth century. For simplicity of exposition, the period from the late fifteenth to eighteenth centuries is designated as the transition to capitalism in Europe, and thereafter the period of industrial capitalism – its emergence, spread and dominance. Both periods have distinctive features and effects in shaping the regional patterns of development of the 'globalized' world we inhabit today as well as the contradictory processes of integration and marginalization between and within the societies it incorporates.

- What are colonialism and capitalism, and the connections between them, conceptual and historical?
- How did (north)western Europe come to dominate so much of the world by the end of the nineteenth century?
- What are the implications of colonial economy and society for development?

## 11.1 Colonialism and capitalism

The initial task is to define the first two of our three key terms, to give them a content that can be applied consistently in what follows. Even this conceptual task requires reference to an historical framework, as will become evident. The discussion of colonialism and capitalism then provides a basis for exploring our third question, and its issues of development, later in the chapter.

The terms 'colonization' and 'colonialism' derive from the (ancient) Greek word for, and idea of, the permanent settlement of a new territory by a group of people who have moved there from their original home: a colony. **Colonization** is used to refer to this process, while **colonialism** refers to political control or rule of the people of a given territory by a foreign state. It is thus possible for colonization to occur without colonialism. However, in the period of the formation of the modern world with which this chapter is concerned, 'colonization' is also often used to refer to the process of establishing the colonial rule of a state over the inhabitants of other territories, whether or not this is accompanied by significant movements of population from the country of the colonizing state to its colonial territory. When this does occur, it can be distinguished by the term 'settler colonies'.

**Colonization:** (a) The settlement of new territory by a group of people; (b) the imposition of colonial rule by a foreign state (colonialism).

**Colonialism:** The political control of peoples and territories by foreign states, whether accompanied by significant permanent settlement ('settler colonies') or not.

These various distinctions can be illustrated in the periods we are concerned with. For example in the Americas settler colonies were established by Portuguese, Spanish, French, English and other Europeans in the centuries following Columbus's fateful voyage of 1492, while a permanent settler presence was (demographically) insignificant in the European colonies of Asia. Africa presents examples of both settler colonies – the French in Algeria, Portuguese in Angola and Mozambique, British in Kenya and Rhodesia (now Zimbabwe), Dutch and then British in South Africa – and other colonies where the European presence was mostly limited to the agents of political rule (civil and military officials) and economic activity (merchants, plantation managers, mining engineers), who returned 'home' on retirement.

The distinction in terminology and its uses also implies that a key difference in patterns of colonization is whether territories thereby settled and/or brought under colonial rule are already inhabited by other (indigenous) peoples – and what are the consequences for them of colonization and colonialism. Typically, the territories colonized by European overseas expansion were already inhabited by people of different cultures and, moreover, 'people of colour' (or various colours). European colonialism, then, was almost invariably accompanied by ideologies of racial superiority – of various kinds, intensities, and mutations – that are among its most enduring and intractable effects, whether indigenous peoples were exterminated (the Caribbean, Tasmania), dispossessed and marginalized (the native Americans of North America, native Australians), or their labour pressed into the service of colonial exploitation (see Figure 11.3 below).

We address next the definition (or understanding) of **capitalism** used in this chapter, and throughout this book more generally. Many, perhaps most, people would agree with a definition of capitalism as a system of production of goods and services for market exchange (rather than consumption by their producers) in order to make a profit. More contentiously, this economic system is also understood here – in the theoretical tradition of classical political economy (by which Polanyi was strongly influenced) – as based in a distinctive type of social relation between capital and labour, which generates the two principal social classes of capitalism: the capitalist class or bourgeoisie (owners of the means of production) and the working class or proletariat (owners solely of their own labour power, or ability to work).

**Capitalism:** (a) Production of goods and services for market exchange (commodities), to make profits; (b) founded on a definitive social (class) relation between owners of capital and owners of labour power; (c) to which other social relations and divisions are linked, e.g. those of gender, urban/rural differences, nationality.

This social – or social class – relation is the definitive, hence most fundamental, feature of capitalism for classical political economy, which is not the same thing as an adequate description of the world as we experience it. Even at a theoretical level, it requires elaboration in terms of other axes of social differentiation that manifest the ramified social divisions of labour of capitalist society: for example, in the relations and divisions of gender, of town and countryside, and indeed of nationality and the political conditions of economic activity – forms of the state in capitalism, and the (international) relations of states.

For the tradition of classical political economy, therefore, capitalism is not just an economic system, narrowly defined, for example, in notions of 'the market', as consisting of atomized individuals engaged in the rational pursuit of their self-interest, and relating to each other only as producers and consumers, sellers and buyers, of commodities. Rather, capitalism is understood as a system of social relations, with particular political forms, and also cultural and ideological processes, that are necessary to, and intimately linked with, its distinctive economic dynamism. We can 'unpack' this rather more encompassing view of capitalism, by illustrating it in relation to the historical emergence and development of capitalist society.

We saw in Chapter 10 that the production of commodities (i.e. goods for exchange), the existence of markets for them, and the use of money as a medium of exchange, are not exclusive to capitalism. Pre-capitalist societies generally produced a surplus and often had well-developed markets and trade networks, considerable specialization in the social division of labour, and classes of rich merchants and money-lenders – all, however, without having undergone a transition to capitalism as a distinctive mode of *production*. The word 'production' is stressed here because capitalism is distinguished by the emergence and central importance of *productive capital* – capital invested in production. Productive capital invests in means of production (land, tools, machines, etc.) and labour power,

which it then organizes in a production process, making new commodities and creating new value as the necessary step towards realizing a profit. By contrast, *mercantile* capital is invested in the circulation of commodities (by wholesalers, chain stores) and *finance* capital in the provision of finance and credit (by banks). Of course, mercantile and financial capital play an important role in a capitalist society in which commodity production is generalized, but it is the activities and needs of *productive* capital that give that society its special characteristics.

Only productive capital presupposes that labour power and the means of production are available as commodities. As most pre-capitalist societies were predominantly agrarian (hence the common synonym 'pre-industrial'), a crucial step in the transition to capitalism was that land should become a commodity, to be freely sold or rented without restriction by customary laws, the rights of monarchs, feudal lords, peasant communities, or whatever. In England such restrictions on the commercialization of land, imposed by the class relations of feudalism (one type of pre-capitalist society), were undermined far earlier than anywhere else in Europe. Historians have stressed the importance of the capitalist 'agricultural revolution' in England that preceded, and undoubtedly contributed to, the more celebrated industrial revolution.

Productive capital invested in means of production can do nothing, however, without labour power to use those means. Just as land and other means of production had become commodities, there had to come into existence a class of people possessing no other commodity than their labour power. The related emergence of productive capital and a working class – basic conditions of capitalist production – are part of the process called *primitive accumulation* that resulted from particular processes of change and disintegration in pre-capitalist societies. This meaning of 'accumulation' is broader than the usual notion of amassing wealth or capital, since it includes the historical formation of a class of people whose labour power is necessary to the production of wealth and capital.

The process of transition to capitalism in north-western Europe took place over a long historical period, mainly the sixteenth to the nineteenth centuries, when the industrial revolutions took off. This period of transition was one of continuous (albeit uneven) expansion of commodity production and exchange, facilitated by a range of social, political and cultural changes.

The process of primitive accumulation was helped by the 'expansion of Europe' in the same period, as a result of which vast amounts of wealth flowed into Europe from the plunder, conquest and colonization of many of the pre-capitalist societies of Latin America, Asia and Africa. In itself, this flow of wealth was not different in character from the riches amassed through other great imperial ventures in history, such as those of the Ottomans, the Moguls and the Manchus. It would not have led to capitalism if it had not been able to feed into changes already taking place in Europe. For example, much of the treasure extracted from their colonies by Spain and Portugal went to buy commodities from north-western Europe, where the transition to capitalist production in manufacturing as well as agriculture was taking place. The relatively slow transformation of feudal relations in Iberian society resulted in the declining wealth and power of Spain and Portugal compared with those countries that were pioneering capitalism.

The development of capitalism had a global dimension from the beginning, therefore, which was experienced by the pre-capitalist societies of Latin America, Asia and Africa through their incorporation in an emerging world market and an international division of labour, typically initiated during a period of European colonial rule. In this sense, capitalism came to these societies from the 'outside' rather than resulting from their internal dynamics.

One is struck by the long period (about three centuries) between the beginning of the breakdown of feudal society and the onset of the industrial revolution, which provided the emerging capitalist society of Britain with its

distinctive type of production process – large-scale machine production. Once capitalist industrial production was firmly established and had begun to develop elsewhere in Europe, in the USA and in Japan, the striking feature by contrast was the 'acceleration' of history, caused by the tendency of capitalism constantly to revolutionize technology and methods of production and to accumulate capital on an ever larger scale.

This framework suggests key themes in the relationship between capitalism and colonialism, and also significant variations in the colonial experience. Such variations arose from:

- 1 different stages in the emergence of capitalism, and its 'uneven development between colonizing powers and within the areas they colonized;
- 2 different types of colonial state and the interests they represented;
- 3 the diversity of the pre-colonial societies on which European domination was imposed.

With respect to the first point, for example, Spain and Portugal colonized Latin America while they were still feudal societies, and did so at an early stage of the transition to capitalism in north-western Europe. At that time, the demands of the emerging international market focused on precious metals (gold and silver) and on tropical products for 'luxury' consumption by the wealthy classes of Europe (e.g. sugar, coffee, spices, precious woods and fabrics). But by the time Britain, France and Germany were competing for colonies in Africa in the last quarter of the nineteenth century, they were already industrialized or rapidly industrializing capitalist countries. The international market had changed with the industrial revolution to produce an enormous demand for raw materials for manufacturing (minerals and agricultural products like cotton, jute, rubber and sisal) and for mass consumption by new and large urban populations (e.g. tea, sugar, vegetable oils). It should also be remembered that periods of colonial rule in different regions cut across those stages in the development of capitalism. For

example, most of Latin America consisted of independent states, created from struggles against the Spanish and Portuguese crowns, before most of sub-Saharan Africa was incorporated into the colonial empires of European powers.

This connects with the second and third points, which entail consideration of the duration of colonial rule as well as when it was initially imposed. Most of Latin America, for example, experienced at least three centuries of colonialism, while in parts of Africa the period of colonial rule lasted less than the lifetime of some individuals. Again, for Latin America and the Caribbean colonialism was a brutal first introduction to the emerging world economy of the sixteenth century, and existing ways of life were shattered. In some parts of West Africa, on the other hand, the development of an agrarian commodity economy involved in international trade – 'the major revolution in the lives of the peasants' (Crowder, 1968, p.7) – had begun long before the beginning of the colonial era in the late nineteenth century, although it was certainly restructured and intensified under colonialism.

## 11.2 Stages of colonialism and capitalism

Periodizing the 'stages' of European colonization and the development of capitalism enables us to trace some key connections between them, albeit still in a schematic fashion. This further specification and illustration of our general theme is not the same as, nor a substitute for, the detailed histories of particular countries (including their formation, and incorporation in the international economy and state system), of which many illuminating accounts have been written using this kind of framework. This section elaborates the elements of a periodization which is also summarized in Figure 11.1.

### The crisis of feudalism and the first stage of expansion (sixteenth century)

It can be suggested that the motivations, forms and cumulative intensity of the expansion of Europe in the sixteenth century were closely

linked to the crisis of feudalism there (Barratt Brown, 1963). One aspect of crisis in the old order was a transition from one kind of commodity economy, controlled and constrained by the power of landowning aristocracies, to another that was being initiated by increasingly independent groups of merchants based in the towns. They encouraged the development of urban production (crafts, simple manufacturing) and exploited the weakening control of feudal lords over the agrarian economy and its peasant producers.

Late feudalism was marked by dynastic wars for sovereignty within and between existing political territories, and the emergence from them of new states confronting the effects of the massive costs of continuous military expeditions, the disruption of the agrarian economy, and a series of peasant uprisings. The need of these states for further sources of revenue stimulated the search for, and seizure of, the wealth of other societies.

The agents of this first wave of expansion were explorers, mercenaries and merchant adventurers. From their forts and trading posts, these gangster entrepreneurs collected from local societies the luxury goods valued by the wealthy classes of Europe, whether by plunder, trickery, or establishing commercial monopolies.

In the sixteenth century, systematic colonial rule was imposed only in the Caribbean and Latin America where the aftermath as well as the immediate methods of conquest had devastating effects. The quest for treasure that had first spurred exploration of a western route to the Indies led to the opening of the great silver mines of Mexico and Peru. It is estimated that the 'silver mountain' of Potosi absorbed the forced labour of about 15% of the male population of Peru in the second half of the century. From 1503 to 1660, shipments from Spanish America to sCastile tripled the amount of silver in Europe.

At the same time, although American silver sustained the feudal regime of Spain, it did so at the expense of that regime over the longer term. The domestic economies and overseas trade of Spain and Portugal were to face increasing

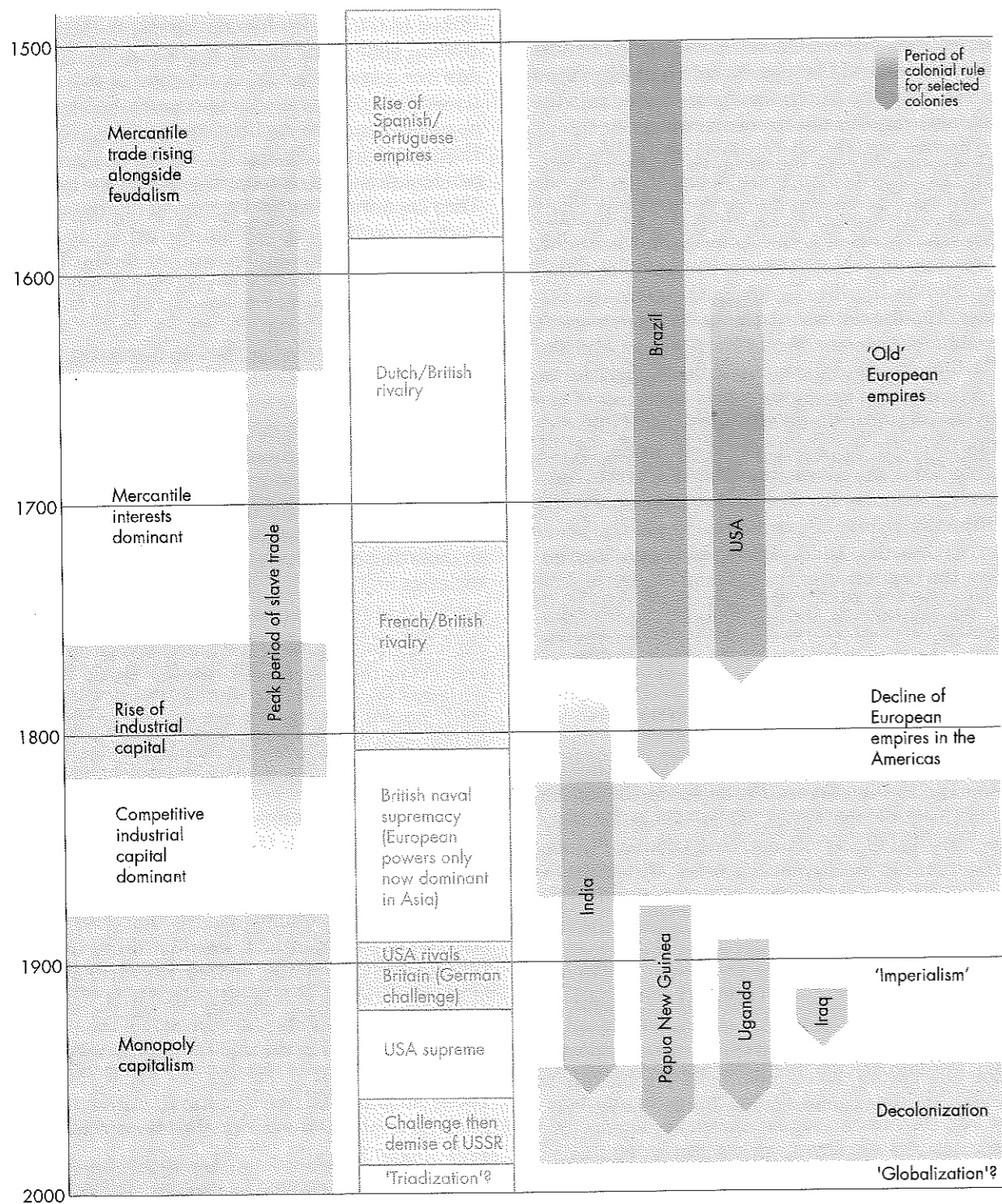


Figure 11.1 Periodization of European colonialism in relation to the development of capitalism.

competition from England and Holland in particular – small countries on the periphery of Europe that were moving much more rapidly towards capitalism.

**Merchants, slaves and plantations (seventeenth and eighteenth centuries)**

In the course of the seventeenth century, a different kind of European expansion was added to the Spanish pursuit of treasure by plunder and mining in the west, and to merchant-adventurer trade in luxury items from the east. Alongside these 'feudal' types of colonization and commerce, and ultimately displacing them, new forms of settlement and trade, exemplified by British interests in North America and British and Dutch activity in the Caribbean, linked more directly with the development of manufacturing and the transition to capitalism in Europe.

An example of this new type of colonization was the Virginia colony in British North America, where a plantation economy based on slave and indentured labour was established. Tobacco and cotton exports from Virginia became far more important to the British economy, and especially its emerging class of manufacturers, than the luxury spices and silks of the Asian trade, and the American colonies later became the main export market for the products of England's new manufacturing enterprises (Barratt Brown, 1963, p.37).

In short, British colonization of North America and the Caribbean initiated a new kind of international trade linking the systematic large-scale production of raw materials for manufacturing in Europe, the development of markets for European goods in the colonies, and also, for several centuries, the procurement from Africa of slave labour for plantation production (Figure 11.2).

The first recorded slaves arrived in the New World from West Africa in 1518. Until the mid-seventeenth century their principal destination was the sugar plantations of coastal Brazil. The Dutch then played a leading role in the spread of slave production to the mainland coasts and

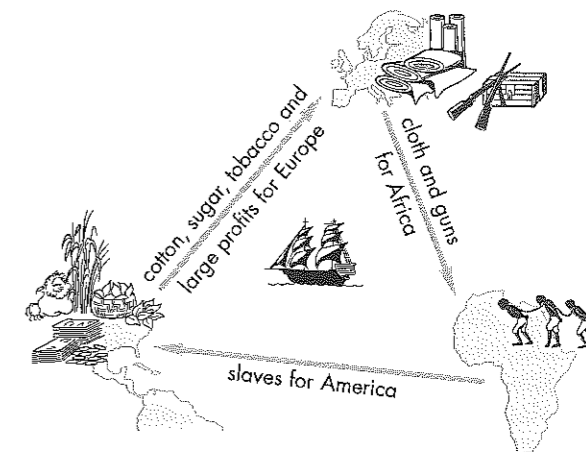


Figure 11.2 The triangular trade.

islands of the Caribbean, to meet the demand by merchants and sugar refiners in Holland, while the British developed the slave plantation system of what is now the southern USA.

Despite these important moments in the process of colonization, and its connections with the transition to capitalism, the latter half of the seventeenth century experienced a relative decline in international trade and the fortunes of European merchant companies. This was connected with turbulent events in Europe, including dynastic wars and, significantly, a new type of mercantilist trade war conducted principally at sea by armed fleets. The eighteenth century saw a revival and further intensification of European expansion, both reflecting and contributing to the resumed pace of the transition to capitalism. This was manifested in the growth of the Atlantic slave trade to meet the increased demand for tropical commodities. It was estimated by Curtin (1969) that between 1701 and 1810, 6 million slaves left Africa, of whom 2.7 million were destined for the British and French Caribbean, 1.9 million for Brazil, and the rest for the Dutch Caribbean, Spanish America, British North America and the USA.

It was merchants who financed and organized the slave trade and the shipment of tropical commodities and European goods, to their own benefit and that of the emerging industrialists of

north-western Europe (Figure 11.3). During this period, adventurers and merchants also extended their exploration, pillage and pursuit of commercial advantage along the coasts of Africa and within Asia. These activities continued and developed the forms of European expansion that had begun in the sixteenth century, and were marked by armed conflict between Europeans (as well as between them and the people of the areas on which they sought to impose their domination) – for example, between the Portuguese and the Dutch in the Spice Islands (now Indonesia, Malaysia, and the Philippines), and between the French and the British in India where the power of the Mogul emperors was in decline.

The Dutch wrested control of the Spice Islands from the Portuguese after a long struggle. The Dutch East Indies Company profited consider-

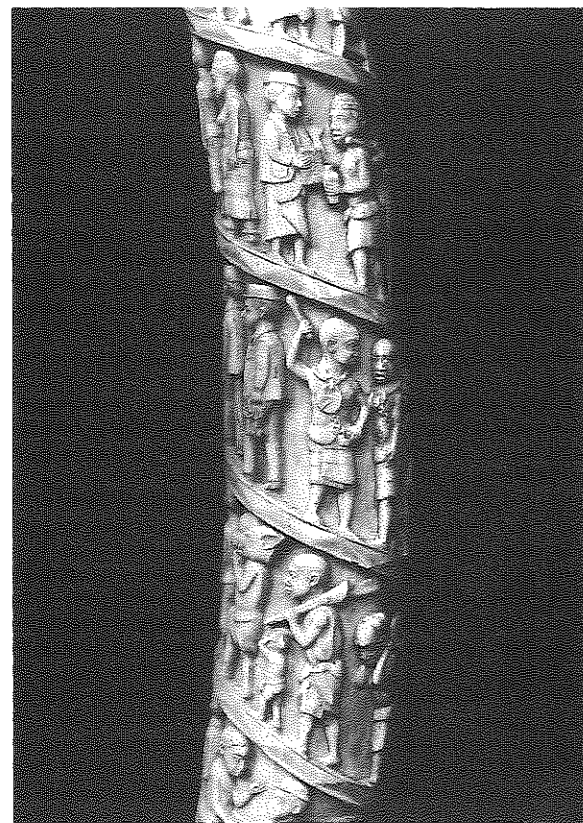


Figure 11.3 Carved ivory tusk depicting an African view of mercantilism as a hierarchy: slaves at the bottom, African producers in the centre and a European merchant at the top.

ably from remittances, dividends and exporting spices between 1650 and 1780, and then from the establishment of systematic plantation production in Java. In India, Clive's bloody victory in Bengal in 1757 put paid to French hopes and hastened the downfall of the Mogul order.

While France also lost Canada to Britain at the end of the Seven Years' War in 1763, and twenty years later Britain in turn lost its original North American colonies, both countries were able to increase their importance as colonial powers in Asia and Africa in the course of the nineteenth century, as industrial capital rose to dominance in their economies.

This extremely schematic outline has suggested that, in the course of the seventeenth and eighteenth centuries, the expansion of Europe intensified in ways connected with its accelerated transition to capitalism and the international division of labour that was emerging from it. At the same time, most colonization in this period was undertaken by merchant companies rather than by European states themselves (however much these states assisted their merchants through political, diplomatic, and military – above all naval – measures).

**Colonialism in the era of industrial capitalism and imperialism (nineteenth and twentieth centuries)**

The consolidation of more systematic colonial rule including state formation (see Chapter 12) during the nineteenth century, as well as the last great wave of colonial expansion towards the end of the century, involved a more direct role for European states in an international context structured by the effects of industrial revolution. Again, it is highly suggestive that the original 'feudal' colonialisms of Spain and Portugal were losing their American possessions at a time when capitalist colonialism was about to embark on its most significant period of domination, from the mid-nineteenth to the mid-twentieth centuries.

The types and volumes of raw materials needed by a rapidly industrializing Europe, new market outlets for its factory-produced commodities, the character of overseas investment, new types

of shipping and of communications more generally (railways, telegraph), together with their strategic implications, all made the capitalist colonialism of the nineteenth and twentieth centuries very different from its sixteenth-century antecedent in Latin America.

In India, the rule of the East India Company was replaced by that of the British state after the 'mutiny' (uprising) of 1857–58. In subsequent decades, colonial rule was also imposed and/or consolidated by the British in Burma, Sarawak and the Malay States, and by the French in Indo-China. The most rapid and dramatic wave of European expansion in this period, however, was 'the scramble for Africa'. In 1876, European powers ruled about 10% of Africa. By 1900, they had extended their domination to 90% of the continent, which was thus the last great 'frontier' of colonial capitalism. Africa was carved up principally between Britain and France, with substantial areas also seized by Belgium, Germany and Portugal.

The causes of the partition of Africa in the late nineteenth century are fiercely debated by historians. Colonialism was a controversial issue among leading European capitalists and politicians of the time, not least in Britain where some preferred the 'imperialism of free trade' to that of direct political rule, with what they considered its unnecessary costs. Even the advo-

cates of such international free trade, however, had to recognize the strategic nature of their trade routes (and the sources of their raw materials) and, hence, the need to guard them. This meant, at the least, an effective network of naval bases, and often the political and military capacity to guarantee communications and the flow of commodities across great land masses (Figure 11.4).

The scramble for Africa occurred during the great depression of late nineteenth century Europe (1873–96), which was the first major manifestation of the cycles (boom followed by slump and crisis) of the new world economy of industrial capitalism. A connection between these two processes was suggested by Lenin in his pamphlet *Imperialism: the highest stage of capitalism*, written in 1916 with two immediate and related objectives: explaining the causes of the First World War, and winning the workers of Europe away from mutual slaughter in the interests of 'their' ruling classes (Lenin, trans. 1939).

For Lenin, the great depression of the late nineteenth century marked a critical turning point in capitalism, from an earlier 'competitive' stage to what he termed **monopoly capitalism**. This does not mean that competition ceased to exist, but rather that it took more extreme and dangerous forms (leading, in 1914, to war).



Figure 11.4 Rivalry between European nations was exemplified by Britain's occupation of Egypt despite French claims.

**Imperialism:** Whereas *colonialism* means direct rule of a people by a foreign state, *imperialism* refers to a general system of domination by a state (or states) of other states, regions or the whole world. Thus political subjugation through colonialism is only one form this domination might take; imperialism also encompasses different kinds of indirect control.

**Monopoly capitalism:** A stage in the development of capitalism dominated by giant corporations, each of which controls a relatively high proportion of the local or world markets for its products. This means that instead of simple price competition between small independent producers, there is greater importance for finance and investment. Competition between large corporations each with monopoly control in different areas takes the form of competition for finance, for sources of raw materials and for profitable investment opportunities.

capital', which he saw as the distinctive and dominant form of capital in the period of imperialism or monopoly capitalism.

Lenin's account has been criticized on various grounds, analytical, empirical and, of course, ideological. For example, his analysis may be considered 'exaggerated' in that two of the principal characteristics of imperialism he identified (capital export and the formation of modern finance capital) were respectively exhibited by two countries with quite different paths of capitalist development (Britain and Germany) rather than being combined.

However, Lenin's approach still attracts interest, at least for some of the issues it posed, if not necessarily his arguments about them. One reason is that the trends in the internationalization of capitalist production and finance which preoccupied Lenin have become much more powerful and evident since then, notably in the operation of transnational corporations and banks, as contemporary concerns with 'globalization' suggest (see Chapter 16).

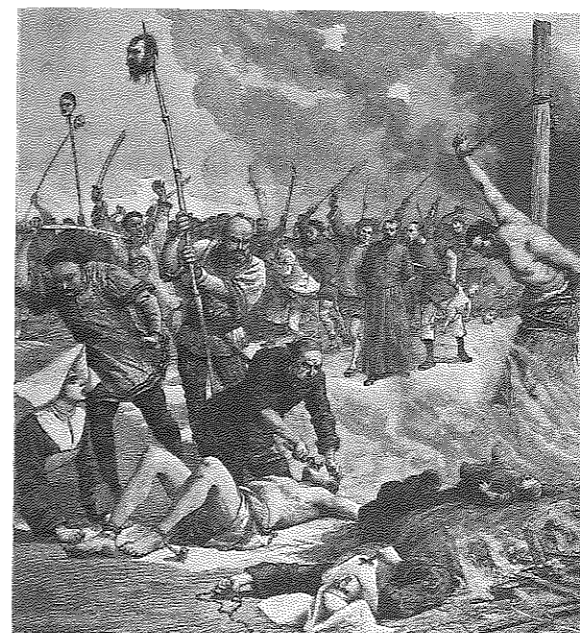
A second reason is that Lenin's analysis highlighted a striking feature of capitalism in its 'imperialist' phase, namely the (growing?) gap between the continuously increasing internationalization of capitalist production, finance and markets, and the persisting political organization of capitalist societies through national states. This also resonates with a leading theme of current debates about 'globalization', namely the view that economic globalization inevitably diminishes the functions and capacities of the state and requires more effective institutions of supranational governance – and whether this thesis and prospect is embraced as a welcome opportunity or deplored as inimical to democracy.

While Lenin sought to connect the great depression of late nineteenth-century Europe, the emergence of imperialism, and the last great wave of capitalist colonization in Africa, a third reason for the continuing interest of his analysis is its insistence that imperialism, as 'the highest stage of capitalism', does not necessarily depend on colonies (Figure 11.5). In the world of 1916, Lenin illustrated this in relation to Argentina as a

Lenin also argued that the expansion of colonialism in this period was due to the need to find new outlets for the export of capital for two reasons. The first reason was competition for overseas sources of raw materials and markets for European manufactured goods (both in ever-increasing volumes). The second was the search for investment opportunities that would be more profitable than those available in Europe itself.

Britain at this time provided the best example of Lenin's thesis of capital export. British capital exports accelerated rapidly in the later nineteenth century and early twentieth century, and from the 1880s about 40% of British overseas investment was directed to railways, plantations, factories, government stocks and finance in the empire.

It was Germany, on the other hand, that best exemplified the concentration of capital in the form of giant industrial corporations closely linked with banks. Lenin termed this particular combination of industry and banking 'finance



'semi-colony' of British finance capital, and in relation to Portugal as a kind of client state of Britain which was at the same time a (minor league) colonial power in Africa and Asia (having lost Brazil, until its independence the jewel in Portugal's colonial crown).

As this indicates, imperialism in the sense of the distinctive form of modern capitalism has a different and more precise meaning from imperialism in the colloquial usage of 'empire'. The latter tends to include the British Empire, for example, as simply one of a line of great empires in history. Lenin suggested that British imperialism could survive the end of its formal empire and decolonization (on the analogy of Argentina and Portugal). In this respect, too, it is worth noticing that the First World War, caused by the rivalry of industrial capitalist powers, also resulted in the final demise (after long decline) of the remaining pre-capitalist empires of Eurasia: those of the Hapsburgs (Austro-Hungary), the Romanovs (Russia), and the Ottomans (Turkey and its possessions).

In fact, the inter-war years saw an increase in the number of British (and French) overseas dependencies. The vehicle of a League of Nations 'mandate' was used to allow what were effectively new areas of colonial rule in the Middle East,

where various parts of the old Ottoman empire were divided between Britain and France. Although Iraq, for example, was ruled by Britain for only 16 years, during that period that rule was enforced as strongly as anywhere in the British Empire, and new weapons technology in the form of air raids and mustard gas was used in policing parts of the rural population in order to enforce payment of taxes.



The Middle East also gave rise to new examples of imperialism continuing beyond a period of direct political control. New boundaries were drawn and states granted independence at

different times in such a way that what was becoming a vital natural resource, namely oil, was divided geographically between several countries so that the capitalist states of Europe and the USA were able to control supplies through the various giant oil corporations.

League of Nations mandates granted Germany's West and East African colonies to France and Britain (plus what is now Namibia to South Africa, and Papua New Guinea to Australia). Apart from Namibia, which remained occupied until 1990, these were treated like other colonies. Japan also consolidated the area of its overseas control in this period, and the Soviet Union was established as a non-capitalist rival to the imperialist powers.

#### **Imperialism without colonies?**

In the decades following the Second World War, the European colonial empires were dismantled. Decolonization occurred relatively quickly in the Caribbean, Asia and Africa, compared with the period during which European domination had been established over these areas. The end of empire was primarily the result of anti-imperialist struggles pursued by the peoples of the colonies, but post-war decolonization was also supported by both the USSR and the USA, though for different reasons.

The USA was the dominant international capitalist power after 1945, hence the dominant imperialist power in Lenin's sense (and leaving aside the question of whether 'globalization' in the late twentieth century marks a shift from American economic dominance to a 'triadization' of the world economy based on three dominant countries/regional blocs, namely the USA/North America, Germany/the EU, Japan/East Asia). It had little in the way of formal colonies; the Philippines which had been taken over by the USA from Spain in 1898 (having been Spain's principal Asian colony for nearly four centuries) became politically independent in 1946. The expansion through which the economic power of US capitalism emerged had taken place mostly through its own internal 'frontier', at the expense of indigenous Americans and of Mexico to the south. Before the First World War, however, US

capitalism had actively expressed its imperialist character in the countries of Central America and the Caribbean (as well as in the Philippines). Following the decolonization of Asia and Africa, its economic, political and military activity extended to other areas and intensified, confirming the role of the USA as the leading power in an international capitalist economy now largely without colonies.

This section has gone a considerable way – by means of the particular theoretical framework adopted, and conscious of the strains of historical compression – to answering the second question posed at the beginning of this chapter. It has done so mostly by focusing on the broad historical contours and issues of European colonization: its impulses, stages and (changing) dynamics, and how these were shaped by profound economic, social and political changes in the countries of the colonial powers and by conflicts between them. How colonialism – in its 'feudal', mercantilist and (industrial) capitalist manifestations – impacted on the lives of hundreds of millions of people subjected to it, is the general theme we turn to next.

### **11.3 The making of colonial economies: the labour question**

Whether the initial reason for the colonization of a territory was strategic or economic, few metropolitan governments were prepared to bear the financial cost of colonial administration for long. It was therefore necessary to organize the productive capacity of colonial territories, so as to generate sufficient income to sustain the administrative and military presence that maintained European control. This was seen as a minimal requirement, though it was one that some colonial territories were barely able to satisfy. In addition, colonies were expected to contribute to the economies of their metropolitan rulers.

Colonies therefore had to be integrated in an international economy, initially formed by the expansion of Europe in its period of transition from feudalism to capitalism, and subsequently shaped and reshaped by the dynamics of cap-

italist development on a global scale. The making of colonial economies within the international division of labour occurred through the production of commodities for export, above all from extractive industries and tropical agriculture. The production of these commodities took different forms. Mining and larger scale agriculture (whether organized by plantation companies or by individual colonial settlers granted large areas of land for this purpose) required some initial capital and a sufficiently large (and cheap) labour force. Alternatively, peasants were 'encouraged' to grow particular crops for sale and export, by various means ranging from direct coercion to more indirect pressures, including the need for a money income to pay taxes and to purchase the new kinds of goods and services introduced with colonialism.

The kinds of commodities produced in the colonies, and how they were produced, varied in time and place according to the interests represented in different colonialisms. Large-scale trade dominated by metropolitan companies and colonial entrepreneurs was a consistent interest throughout the history of colonialism, although the composition and scale of that trade changed as industrial capitalism developed. In the sixteenth and seventeenth centuries, the mining of gold and silver in Spanish America and their transport to Europe provided the profits of colonial entrepreneurs, shipping and mercantile interests, and also met the needs of the Spanish Crown for revenue to finance its dynastic ventures in Europe. But as the growth of industrial capitalism in Western Europe and the USA accelerated during the nineteenth century, it required a more diverse range of products for processing and manufacturing, and in ever larger quantities: minerals like copper, and industrial crops like cotton, rubber, sisal and jute. The rapid urbanization that accompanied industrialization in the Western countries also resulted in a new market demand for tropical products that became items of mass consumption (sugar, tea, coffee, palm oils) and their production in the colonies was consequently expanded.

Changes in the international economy also led to changes in forms of colonial exploitation. For

example, the massive development of the mining industry in South Africa in the late nineteenth century was a very different matter from the earlier Spanish adventurers' colonization of Latin America in search of 'treasure'. In the late nineteenth century, gold was needed to support the Gold Standard, on which the stability of vastly expanding international trade and international monetary transactions was held to rest. Diamonds were needed for new industrial processes, as well as continuing to be an item of luxury consumption.

The variation and complexity of the economies created by European colonialism was thus a result partly of different stages in the formation of a capitalist world economy, and also of different forms of colonial incorporation and exploitation of different types of pre-colonial economies and societies. The making of colonial economies required the 'breaking' of pre-existing types of economy and their social relations. In different cases, the rupture could be more or less abrupt, more or less brutal, and effected by more or less direct means.

In examining and illustrating the general theme of the impact of colonialism on the lives of its subjects, we focus principally on questions of labour and different types of *labour regime*. This is because the formation of export economies under colonialism required reorganization of the economic activities of their 'native' populations. The term 'labour regime' refers to different methods of mobilizing labour and organizing it in production. The essential mechanisms of four broad types of labour regime are described, namely forced labour, semi-proletarianization, petty commodity production and proletarianization. Connections between those labour regimes and the development of capitalism are then suggested.

#### **Forced labour**

Of the regimes of **forced labour**, slavery in the Caribbean and the Americas is probably the most widely known because of its scale, its duration over more than three centuries, and the intense violence of the slave trade and of the conditions of plantation production.

**Forced labour:** The mobilization and organization of workers based on extra-economic coercion. Workers do not enter the arrangement by their own volition or by selling their labour power in the market. Examples of forced labour are *slavery*, *tribute labour* (labour services or payments in kind) and *indentured labour*. In some circumstances, forced labourers may own or have access to their own means of production, from whose produce they may make forced payments in kind as well as, or instead of, providing labour service.

There were two main historical factors that contributed to the development of the slave trade.

1 The demand for certain products (sugar, cotton, tobacco) increased with the expansion of production, trade and incomes in Europe, which was associated with the development of capitalism, itself stimulated by the in-flows of precious metals and treasure acquired from colonial conquest in Spanish America, and subsequently from the plundering of large areas of Asia.

2 The indigenous people of the colonized areas of the New World were too few to provide sufficient labour to produce these commodities, or were resistant to enslavement, or were destroyed by European arms and diseases, or some combination of these factors.

Significantly, the slave trade and plantation production reached a peak in the eighteenth century, as north-western Europe was completing its long transition to industrial capitalism. Slavery was profitable as long as a plentiful and cheap supply of slaves could be assured. This might be met by the reproduction of the existing slave population, although reliance on this placed limits on the intensity with which slaves could be exploited: the slave population could not be replaced at the desired rate if they were literally worked to death after a few years or less (Figure 11.6). Alternatively, plantation owners had to rely on continuing shipments of slaves from Africa at prices that suited them. This strategy was undermined by the abolition of the slave trade by Britain in 1807.

Two other factors in the eventual decline of slavery are worth noting. The first is that in the course of the nineteenth century, new and superior technologies made available by the industrial revolutions of Europe and the USA were increasing the productivity of labour in agriculture as well as in manufacturing, thereby rendering slave production less competitive. The nature of slave production on plantations, including brutal forms of control and slaves' resistance to them, meant that it was very difficult to operate new and more sophisticated techniques of production with coerced and antagonistic workers. Secondly, the social and political costs of maintaining control over slave

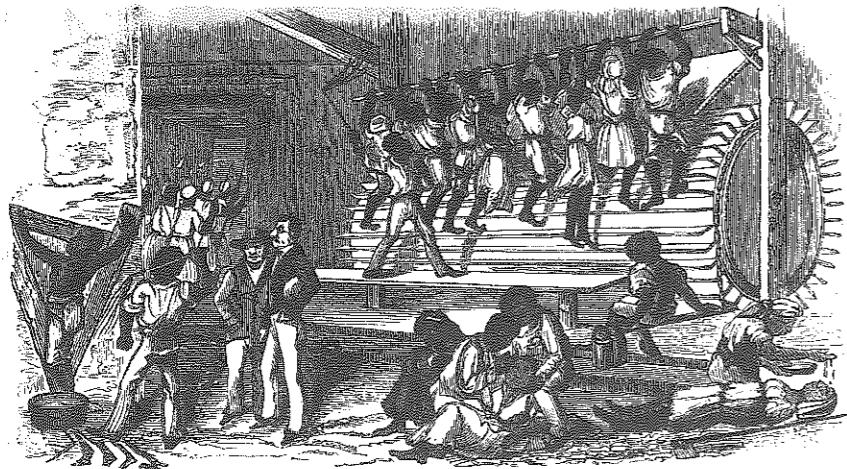


Figure 11.6 Slaves on a treadwheel in Jamaica.

populations grew as they themselves increased in number, both absolutely and as a proportion of the population in plantation colonies. There were numerous strike waves and slave revolts in the sugar regions of Central America and the Caribbean throughout the eighteenth and early nineteenth centuries, and the ratio of slaves to others was ten to one in Jamaica by the time of the abolition of slavery in the British Empire in 1833.

The major effects of slavery over this long period illustrate the spatial dimensions of the processes contributing to the formation of a capitalist world economy.

1 In West Africa, slave trading brought about massive social disruption and depopulation. The raiding and warfare necessary for the provision of slaves was mostly carried out by indigenous groups (who consequently increased their own wealth and power by, for example, acquiring European firearms), in collaboration with European traders on the coast.

2 In those societies it created (in the Caribbean, Brazil, the southern USA), the experience of slavery had profound consequences for social differentiation and cultural patterns that are still felt today.

3 For Europe, where the often vast profits of slave traders and shippers and plantation owners were directed, slavery contributed to the accumulation of wealth and facilitated the transition to industrial capitalism.

Having said that, the long history of New World slavery provides an exemplary warning against an overly schematic division of historical periods (or 'stages'). After slavery was abolished in the French and British Caribbean, and in the newly independent republics of Latin America, plantation production by slaves underwent a further wave of expansion in the southern USA, Brazil and Cuba (where slavery was not abolished until 1865, 1888, and 1889, respectively).

The historian Charles Post gives a subtle summary of the contribution of slavery to the development of capitalism in the USA, and of the historical conditions in which it then became an obstacle to (industrial) capitalism (Box 11.1). Post makes two further observations of interest. First, the Civil War of 1861–65 (despite its subsequent mythology) was not a war to end slavery but to prevent its expansion into the south-west of the USA, as an obstacle to capitalist development (Post, 1982, p.37). Second, the abolition of slavery in 1865 was a *contingent*

#### Box 11.1 Slavery and the development of capitalism in the USA

It is clear that slave production of cotton was a profitable investment prior to 1860... the source of the cotton plantations' profitability was neither the high productivity of slave labour, nor economies of scale achieved under the plantation regime, but the demand for raw cotton by industrialist capitalists in England, and the complete domination of the world market for raw cotton by the plantations of the American South... Northeastern merchants, who facilitated the trade of cotton with the capitalist world market, accumulated mercantile wealth from the circulation of cotton. Cotton, as the major export of the ante-bellum US, also created a favourable balance of trade and sound international credit for American merchants and bankers. The expansion of commercial slavery provided the basis for both the geographic

expansion of merchant capitalist operations (land speculation) and the importation of money from Europe for merchant-sponsored transportation projects in the 1830s... the commodity producing character of plantation slavery was a catalyst to capitalist development as long as merchant capital was the major agency for the expansion of commodity production and the deepening of the social divisions of labour. As merchant capital created the conditions for its [own] subordination to industrial capital, by generalizing commodity relations in the Northern US, slavery's non-capitalist relations of production became an obstacle to the dominance and expanded reproduction of capitalist production in the US social formation.

(Post, 1982, pp.31–2, 37, 38)

outcome of civil war: 'a measure forced upon the industrial bourgeoisie by military exigencies and the struggle of the slaves' (Post, 1982, p.49). The more general point he derives is that however potent the underlying 'economic logic' of abolition in the USA, that logic was only – and necessarily – realized through 'political class struggle' between northern industrialists and southern slaveowners, and their allies (the complex politics of abolition in the colonial Caribbean and independent Latin America is also central to the authoritative account by Blackburn, 1988).

More or less contemporaneous with the long history of slavery was a variety of other forced labour regimes in the Spanish colonies of the Caribbean and Central and South America. Originally adapted from the feudal institutions and practices of Spain, these allowed the Spanish settlers to establish themselves as a colonial aristocracy, in relation to the subjugated indigenous populations on one hand, and to the Spanish Crown on the other.

In the first half of the sixteenth century, individual colonists, churches and agents of the

Spanish Crown were given rights to exact tribute from the labour of indigenous 'Indian' communities, which they could extract as *labour service* (for agricultural production, portage, construction, personal services, etc.) and/or *tribute in kind* (agricultural and craft products). This was the *encomienda* system. Technically it did not bestow rights to Indian land, although individual grants of land could be made by the Crown independently of the *encomienda*.

With the massive decline of the indigenous population (in Mexico, for example, from about 11 million in 1519 to 6.5 million in 1540 and 4.5 million in 1565), as the direct and indirect result of conquest and early colonization, and with the arrival of new colonists demanding their grants of Indian labour, there were conflicts over access to a diminishing labour supply. These were intensified by the discovery of massive silver deposits in Mexico and Peru in the mid sixteenth century. The Crown introduced new mechanisms of forced labour service (known in Mexico as *repartimiento* or *cuatequil* and in Peru as *mita*), through which colonists had to apply to the state for 'Indian' tribute labour (Box 11.2).

#### Box 11.2 Women and forced labour in Peru

From the beginning of the Spanish Conquest, women were brutally exploited by colonial administrators and *encomenderos* (recipients of royal *encomienda* grants) who needed women's labour to produce goods (particularly cloth) destined for the colonial and European markets. The first forms of industrial labour draft emerged...when the *encomenderos* established a tribute in cloth. Many *encomenderos* introduced the practice of locking women in rooms and forcing them to weave and spin; these women were so exploited that in 1549 a royal decree was published prohibiting the continuation of the practice... this decree, like many others issued to alleviate the burden of the peasantry, was effectively ignored.

One hundred and fifty years later, the judge responsible for indigenous affairs in Cuzco was imprisoned because he had a private jail in his house where he forced Indian women to weave...Colonial magistrates (*corregidores*),

who primarily saw their stay in the colonies as a way to make a fast buck, forced women to weave clothing for them for less than half the free market rate... Spanish tribute demands and taxes were so high that women saw themselves by necessity having to weave...in their homes in exchange for grossly depressed wages, while their husbands and male kin were away working in the *mita* service...In addition, the wages paid to a *mitayo* (a man performing *mita* service) in the mines were equivalent to approximately one-sixth of the money needed to cover his subsistence requirements. Since *mitayos* often were accompanied by their wives and children...one way in which the difference may have been made up was for the labourer's wife and children to work also...but at wages which were certainly lower than the already depressed wages of their husbands.

(Silverblatt, 1988, pp.167–8)

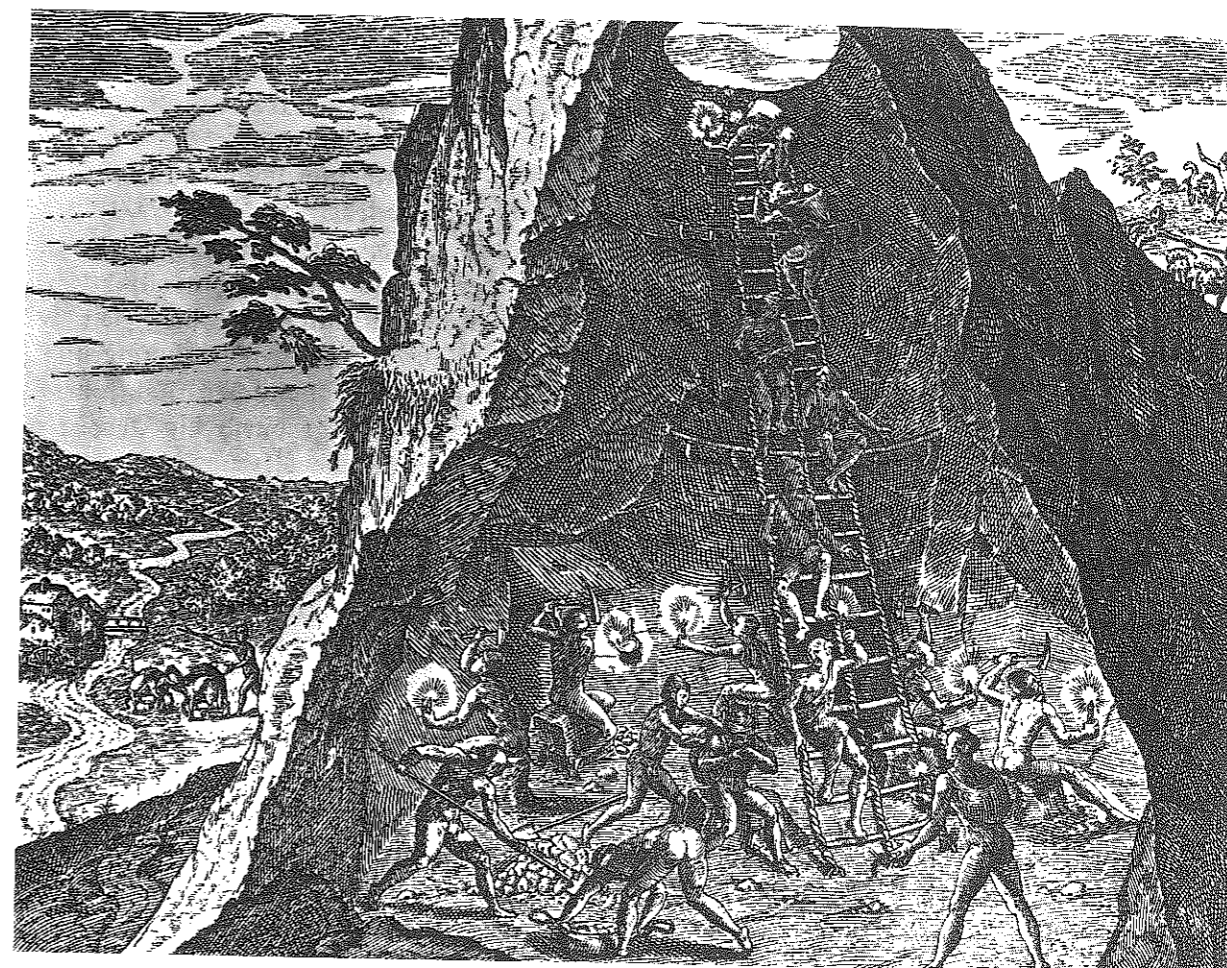


Figure 11.7 Mining at Potosi, the Peruvian 'silver mountain'.

In this sense, the allocation of labour was centralized and bureaucratized as an action of the colonial state against colonial settlers (who accumulated large numbers of Indians through *encomienda* and passed them on to their heirs). At the same time, the aim of the new systems of tribute labour was to rationalize the supply of labour from wider areas for the concentrated demand brought about by the new mining boom. This resulted in long journeys undertaken by large convoys of Indians to work out their labour service at distant mines – from which many of them never returned (Figure 11.7).

The real practices of forced labour regimes in Spanish America differed considerably from

the legal theory, and both changed over the centuries with changes in patterns of economic activity and with social and political struggles between settlers and 'Indians' and settlers and the Crown. Without going into the intricacies, it should be noted that when the new republics were established in the first half of the nineteenth century following wars of independence against Spain, their constitutions granted Indians equal citizenship and abolished forced labour. However, during the course of the eighteenth century many of the formal mechanisms of labour coercion had already given way to other labour regimes based on debt bondage (see below), to secure labour for the estates of what had become, in effect, a *landed* aristocracy.

"In the process of debt bondage, the employers gave an advance on wages, or paid their labourers' tribute debts, after which the debtor was obliged to work for the man who had loaned him money until such time as he was able to settle the debt. However, since the debt slaves always received very low wages, and since the employers provided them with essential commodities and possibly also tools at a very high price, the workers became more and more involved in debt the longer they worked – so that the system really in effect boiled down to lifelong compulsory labour."

(Kloosterboer, 1960)

Forced labour regimes were also features of other colonies at other times, particularly during the early stages of colonization. Throughout sub-Saharan Africa in the late nineteenth century, and in a number of Asian colonies, tribute labour was directed to the construction of railways and roads and to work on European plantations. The control over labour and the conditions experienced by workers were little different from those of slavery.

Another distinctive type of forced labour regime was that of *indenture*. Indentured labour is a practice whereby people contract themselves to work for an agreed number of years for a particular employer. This was an important device in the early settlement of British colonies in the Caribbean and the southern USA, those who were indentured as workers and servants coming from the poorest sections of the British population. Probably some of the small settlers in the Caribbean, who were displaced by the spread of sugar plantations in the seventeenth and eighteenth centuries, had first gone there as indentured workers and had become small farmers when the period of their indenture was worked out.

In the nineteenth and early twentieth centuries, indentured labour occurred on a far larger scale, drawing particularly on those masses of people in India and China whose poverty and destitution resulted from European domination (even though China was not formally colonized). Most

of them were peasants driven from the land by crippling debt or hunger produced by intensified commercialization and exploitation, and craft workers like spinners and weavers, whose livelihoods were destroyed by competition from the cheap textiles of Britain's new factories.

Indian and Chinese indentured workers went to the plantations of the Caribbean, Mauritius in the Indian Ocean and Fiji in the South Pacific; to the rubber plantations of Malaya; to British East Africa, where the economically strategic railway from the port of Mombasa to Lake Victoria was built by Indian indentured workers in the first decade of the twentieth century; and to South Africa, as workers in agriculture and mining.

In principle, indenture was a contract freely entered into by workers for a limited period, and in this sense it differed from slavery, where the body and person of the slave was exchanged and used as a commodity. However, given the circumstances of destitution that drove people into indenture, the tricks and coercion often employed by licensed labour recruiters to get them to sign the indenture contract, and the power of the plantation owners and other employers (backed up by the colonial state) in the countries where they went to work, the experiences of indentured workers were often similar to those of the slaves of earlier generations (whom they replaced in the Caribbean). This has been amply documented by Hugh Tinker (1974) who termed indenture 'a new system of slavery'.

#### Semi-proletarianization

Indentured workers who completed their contracts often stayed in the colonies they had been shipped to, some of them subsequently becoming semi- or fully proletarianized. Full proletarianization refers to a generalized process of wage labour employment. When Karl Marx analysed capitalism, he called wage labour 'free' because workers own no means of production and are 'free' to sell their labour power as a commodity in the market without any form of coercion beyond the economic necessity of earning a living.

The meaning of **semi-proletarianization** is often elusive, but two somewhat different uses of it can be suggested. The first refers to conditions where producers are unable to pay back debts and are required to carry out labour services or make payments in kind to creditors (usually landlords). This is called *debt bondage*. This kind of situation was (and still is) found among the poorest strata of peasants and rural semi-proletarians, caught in a permanent cycle of debt to their landlords and others with a claim on their labour. It was indicated above that in the eighteenth century, with the consolidation of the colonial aristocracy of Spanish America as a landed class, many of the former forced labour regimes gave way to debt bondage as a means through which landowners secured a 'captive' (and resident) labour force for their estates.

**Semi-proletarianization:** A process where people who have inadequate access to means of production, or have been dispossessed of them, have to provide labour for others. One mechanism of semi-proletarianization is *debt bondage* in which producers provide labour because they have fallen in debt with their creditors over land rents, cash loans or other resources. Another type of semi-proletarianization occurs through *periodic labour migration*. Historically, semi-proletarianization has involved a dimension of extra-economic coercion as well as economic compulsion. Current forms of semi-proletarianization may mirror characteristics of colonial forms but are generally regarded as being based on economic compulsion. Additionally, contemporary semi-proletarianization often combines production using own means of production with wage labour for local farms and industrial enterprises.

Significantly, the introduction of new and profitable commercial crops into particular areas was often accompanied by new types of debt bondage, or the intensification of existing ones. The term 'semi-proletarianization' seems appro-

priate here to the extent that debt bondage is a way of securing labour for commodity production within capitalism, but labour that is clearly not 'free' in the full sense suggested by Marx. In most Latin American countries, legislation to abolish debt bondage was passed between 1915 and 1920, but debt bondage as one type of labour regime established within capitalism (and not only colonial capitalism) remains widespread today.

Those who have to supply their labour because of debt bondage may also have some land of their own or other resources which contribute part of their livelihood through subsistence or small-scale commodity production. This is the major characteristic of the second form of semi-proletarianization in which *periodic labour migration* is combined with other economic activity (and especially subsistence agriculture) to provide a means of livelihood and household reproduction. Cyclical or periodic labour migration regimes were a major feature of many colonial economies, notably in sub-Saharan Africa where semi-proletarianized migrants supplied much of the labour for mining and commercial agriculture – both large-scale (particularly in southern Africa) and small-scale (particularly in West Africa) – and continue to do so. Like debt bondage, then, the regime of semi-proletarianized migrant labour is reproduced, or even recreated, more generally within capitalism beyond the specifically colonial origins it had in many cases.

#### Petty commodity production

**Petty commodity production** is widespread today within an international division of labour (see Chapter 5). Under colonialism its conditions were typically established by the need for a money income to pay taxes, and subsequently also to purchase new means of production and consumption that the extension of the capitalist market made available (and often necessary). In some cases, colonial states ordered particular cash crops to be grown and attempted to regulate their methods of cultivation; in other cases, peasants seized or created opportunities to pioneer new cash crops and ways of farming.

**Petty commodity production:** The production of commodities for sale based on economic necessity and using own means of production and household labour. Petty commodity production is therefore small scale but is based on a high level of integration in product markets, frequently leading to integration in credit and input markets. The use of family or household labour is an important characteristic, although temporary or seasonal wage labour may also be employed.

Here is an example from late nineteenth century Guinea:

"A considerable poll tax was imposed on a population which had little or no contact with a cash economy and thus quite literally had no money to pay with. So Africans were forced to gather rubber to sell at derisory prices to the companies in order to get the money with which to pay the tax. Indeed, in the early days the tax was itself payable in rubber. The Fonta and Savannah areas were systematically defoliated of rubber plants as every year the African peasants moved out in ever wider circles from their villages to gather rubber. Thus the Administrator's fiscal policy was aimed at coercing Africans into the cash economy for the greater profit of the trading companies, and coincidentally to help balance the Administration's budgetary books."

(Johnson, 1972, p.235)

Generally, rural populations preferred to meet the new needs for cash imposed on them through petty commodity production, in which they could exercise some control over the uses of their labour, rather than periodic wage labour for others in the harsh conditions of plantations, settler estates and mines. There is a parallel here with *encomienda*, in which the payment of tribute in kind was experienced as relatively less oppressive than labour service.

In some colonial economies the preference of rural people to undertake petty commodity pro-

duction, and their success in doing so, confronted capitalists requiring large numbers of workers at low rates of pay. The historian Colin Bundy (1979), in a famous thesis, argued that in the latter part of the nineteenth century a thriving African commercial agriculture developed in the Eastern Cape and other parts of South Africa. With the discovery of diamonds at Kimberley, and subsequently gold on the Rand, the rapid growth of mining (and the stimulus to settler agriculture that it generated) required a plentiful and continuous supply of cheap labour (in 1889 the gold mines employed some 17 000 African workers and 11 000 whites; by 1909 those numbers had grown to 200 000 and 23 000 respectively). Following the Anglo-Boer war of 1899-1902, the subsequent 'historic compromise' between British imperial and mining interests and Afrikaner landowners, and the establishment of the Union of South Africa in 1910 – outcomes of 'political class struggle' analogous to Post's (1982) account of the American Civil War – the state moved to restrict African access to land and incomes from farming as part of the 'economic logic' of ensuring a plentiful supply of cheap labour to the mines and settler agriculture, thereby engineering 'the fall of the South African peasantry' as Bundy (1979) put it.

This example can be repeated for many other areas where the interests of powerful types of capital demanded a plentiful and 'cheap' supply of labour rather than commodities produced by peasants. In colonial eastern, central and southern Africa the solution to the problem of competition over labour between (European) capitalist and (African) peasant production was to undermine the ability of the latter to generate an adequate income through growing cash crops. This was done by restricting African farming and rural residence to limited and usually agriculturally marginal areas (the 'Native Reserve' system), and discriminating against peasant commodity production in terms of prices, transport charges, access to credit, etc. These various measures, directly imposed or facilitated by colonial states, thus institutionalized some of the conditions of semi-proletarianization.

### Proletarianization

Full **proletarianization** in colonial economies occurred when impoverished peasants and craft producers (including previously indentured workers) either lost access to land and other means of production, or were driven by debt or hunger to try to secure a living through selling their labour power. From the side of capital, there was sometimes a demand for a more stable and skilled workforce than the labour regime of semi-proletarianization could provide. This applied to some jobs in mining, in manufacturing (although this was very limited in most colonial economies), and in such branches as railways, ports and road transport, which played a strategic role in the circulation of commodities and in the administration of the colonial state.

**Proletarianization:** The process (and result) of generalized employment of wage labour in commodity production. Proletarian labour is formed when producers are separated from their means of production, and have to sell their labour power to capitalists (owners of capital). The notion of 'generalized commodity production' (often used to describe capitalism) therefore suggests not only the generalized production of goods for sale but the employment of commoditized labour (i.e. wage labour) to do so. Proletarianization is based on economic compulsion.

While the emergence of a stable working class in colonial economies was usually limited relative to the numbers of those proletarianized, that working class was able to develop trade unions and other forms of political action (both legal and illegal) which often played an important role in the movements for independence from colonial rule.

### Colonial labour regimes and capitalism

The different types of colonial labour regimes discussed here are summarized in Table 11.1. The table does not represent a rigorous classification of mutually exclusive categories, which

in any case could be misleading. In particular, if we view the global history of capitalism, we see that it has absorbed, created and combined many diverse social forms in the course of its uneven and contradictory development. For example, capitalism is usually characterized by the employment of wage labour (or full proletarianization) but other labour regimes can and do co-exist under capitalism.

Directly coercive labour regimes were characteristic of the period of primary or 'primitive' accumulation on a world scale, during the sixteenth to eighteenth centuries when Europe was undergoing its long transition from feudal to capitalist society. This does not mean that directly coerced labour then disappeared all at once. Various forms of tribute labour were imposed on the people of the new colonies of Africa and Asia in the late nineteenth and early twentieth centuries (and, in the case of Portugal's African colonies, continued until the 1960s).

Nevertheless, from the turn of the nineteenth century, there were important changes that led to the establishment of forms of production in colonial economies based on semi-proletarian and proletarian labour (capitalist production) and household labour (petty commodity production). Whereas the initial creation of these types of labour within capitalism (as distinct from, for example, pre-capitalist and pre-colonial peasant production) often required direct and indirect forms of extra-economic coercion, the latter were replaced sooner or later by economic compulsion. That is, people came to depend on commodities for consumption (and in the case of petty commodity production, for means of production too) and therefore needed cash incomes to buy these commodities. Semi-proletarian, proletarian and household labour were all reproduced within capitalism as a result of economic compulsion, and consequently persisted after the demise of colonialism.

This is the reason why these three types of labour are shown in Table 11.1 as not requiring extra-economic coercion as a condition of their reproduction. At the same time, one should not regard the 'freedom' of labour under capitalism

too literally. Marx's reference to such 'freedom' was ironic: it consists precisely in economic compulsion rather than other types of compulsion. Nevertheless, capitalists also use political, ideological and legal means of coercion to structure, or to augment, economic compulsion in ways that will deliver the kinds of labour they want on the terms they want (levels of pay, conditions of control and discipline, etc). This is evident in labour regimes using debt bondage to try to secure a captive and compliant work force, but it also applies to class struggles more generally, including those circumstances in which labour power is 'freely' exchanged through the market.

A similar point applies to the separation of the producers from the means of production as a condition of 'free' wage labour. Semi-proletarian labour is generated within capitalism no less than full proletarian labour. But conditions which produce semi-proletarian labour are usually regarded as 'transitional'; i.e. they are considered to be only part way towards proletarianization in its full sense. In practice, semi-proletarian labour is not necessarily transitory or short-lived, and, along with fully proletarianized labour and petty commodity production, is a general feature of most economies of Africa, Asia and Latin America today.

**Table 11.1 Colonial labour regimes**

Labour regime	Separation of producers from means of production	Extra-economic coercion	'Free' wage labour	Examples
<b>1 Forced labour</b>				
Slavery	Complete	Yes	No	Caribbean, Brazil, southern USA, 16th–19th centuries
Tribute, tax in kind	No	Yes	No	Spanish America, 16th–17th centuries; Africa, 19th to early 20th centuries
Labour service	Partial	Yes	No	Spanish America, 16th–18th centuries; Africa, Asia, 19th to early 20th centuries
Indenture	Complete	Partial	'Transitional'	Caribbean, East Africa, Malaysia, Mauritius, Fiji, 19th–20th centuries
<b>2 Semi-proletarian labour</b>				
Debt bondage	Partial or complete	No	'Transitional'	Spanish America, 18th–20th centuries; Asia 19th–20th centuries
Periodic labour migration	Partial	No	'Transitional'	Africa and more generally, 20th century
<b>3 Petty commodity production</b>				
	No	No	No	India and Africa, 19th century; more generally, 20th century
<b>4 Proletarianization</b>				
	Complete	No	Yes	Some sectors of colonial economies: 18th century (Latin America), 19th century (India), 20th century (Africa)

### 11.4 The experience of colonialism

Closely associated with issues of labour and labour regimes in the political economy of colonialism were issues of land. Given that most people in pre-colonial societies gained their living from the land, changes in ownership of, access to, and uses of land had profound effects.

Throughout Latin America, in much of eastern, central and southern Africa, and in regions of South and South-east Asia where plantation economies were established, land was expropriated by settlers and colonial companies, whether by formal decree or outright land-grabbing, and its indigenous inhabitants restricted to agriculturally marginal (and, sooner or later, overcrowded) areas of the countryside (Figure 11.8). Even in colonial economies of a more 'peasant' type – in West Africa, most of South Asia, much of South-east Asia – the development of export crop production led to the commoditization of land and associated struggles over its control and uses, whether land was constituted as private property under colonial legal codes or not (see Bernstein *et al.*, 1992, chapters 2 to 4).

Like labour then, land was also a key (and closely connected) aspect of the general theme of the making of colonial economies, and its 'breaking' of pre-colonial modes of production

and livelihood, hence of ways of life. For labour and land were not simply 'economic' resources, or discrete 'factors of production' exchanged as commodities in discrete 'factor markets', as they appear in capitalism. Rather, command over labour and land, and their uses, were deeply 'embedded', in Karl Polanyi's term, in (different) sets of social relations, institutions, beliefs and values: in short, in entire ways of life rooted in material and symbolic cultures.

Attempts to reproduce, preserve or adapt those ways of life in the face of colonial imposition were expressed in a spectrum of resistance to colonial rule ranging from rebellion to evasion, through collective and individual action, on a larger and smaller scale. And this explains the remarkable continuity of the 'labour problem' as a preoccupation of colonial authorities, despite all the complex variation of time and space encompassed by the history of European colonialism, as the following examples show.

A Spanish decree on *encomienda* in 1513 stipulated that 'Indians...were to work nine months a year for the Spaniards (i.e. without pay), and were to be compelled to work on their own lands or for the Spaniards for wages in the remaining three months'. The stated intention was 'to prevent them spending their time in indolence and to teach them to live as Christians' (Kloosterboer, 1960, emphasis added). More than 400 years

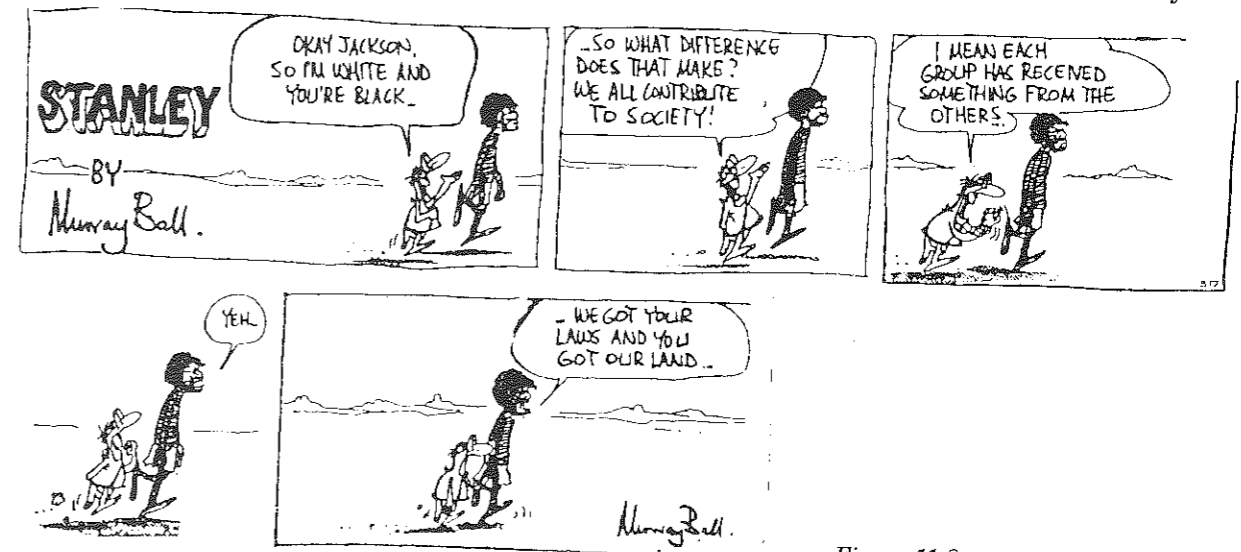


Figure 11.8

later, the 1922 Annual Report of the Governor-General of the Belgian Congo stated that 'under no circumstances whatsoever should it be permitted to occur that a peasant, who has paid his taxes and other legally required obligations, should be left with nothing to do. The moral authority of the administrator, persuasion, encouragement and other measures should be adopted to *make the native work*' (Nzula *et al.*, 1979, emphasis added).

These examples also illustrate how colonial authorities sought to justify their objectives, and the means by which they pursued them, on *moral* as well as practical grounds (as, indeed, most states try to do most of the time). We shall come back to this in the next section, but first we amplify briefly other aspects of social and cultural change under colonialism generated by its central purpose of economic exploitation.

#### Social and cultural change

First, as just noted, the colonial experience involved resistance and adaptation (sometimes combined) by colonial peoples to the changes imposed on them. Two major instances in the sphere of cultural change concern the introduction of Western education and of the Christian religion (sometimes closely connected, as in most of Africa). Both illustrate contradictions of colonial rule, and the impossibility of ensuring its effective legitimacy over the colonized. Western education was introduced to train people for the lower ranks of the colonial civil service (as clerks, medical assistants, teachers) but some who acquired literacy in Western languages were able to continue their education beyond the limits set by their colonial (often missionary) teachers. They were able to articulate their resistance to foreign domination through turning Western principles of democracy and justice (and sometimes the vocabulary of socialism) against their colonial masters.

Similarly, while Christianity was a central element of Western imperialism's ideology of its 'civilizing mission', and missionaries often functioned as informal agents of the colonial state, the meaning of Christianity could be assimilated

and interpreted in different ways. It could facilitate the acceptance of colonial rule by preaching the virtues of hard work, sobriety and due deference to authority, both spiritual and temporal. On the other hand, its message of universal brotherhood and equality in the sight of God could be used to criticize the inherent racial oppression and inequality of colonial society.

Second, responses to colonial incorporation included initiatives and innovations by those who were colonized (often using their ability to draw on aspects of their culture and social organization of which colonial authorities were ignorant, or which they misunderstood). Within the (varying) constraints set by different forms of economic domination, some of the colonized became entrepreneurs and were able to accumulate through trade, land grabbing and renting, agriculture and transport. In the sphere of religion, many 'native' churches in Africa developed in opposition to the European monopoly of Christianity (as also happened among the black populations of the Caribbean and the USA, themselves descended from African slaves). Whether overtly resistant to colonial rule in their teachings or not, these independent churches were necessarily subversive of the ideology that tried to justify European domination.

Third, colonial society was marked above all by the ethnic divisions of labour, of legal status, political influence and social standing, between colonizers and colonized, justified by ideologies of European racial superiority. This was a potent factor contributing to the unity of anti-colonial movements, overriding (at least temporarily) many of the differences emerging among the colonized people themselves. However, such unity could be fragile and subject to intense strains following independence from colonial rule (decolonization).

The final point is that the fundamental racial differentiation of colonial society could obscure the developing social differentiation among the colonized, often abetted, whether intentionally or unintentionally, by the policies and practices of colonial states. These included strategies of 'divide and rule' (contributing to the potentially

explosive combination of extreme regional economic and social inequality with distinct cultural identities, including language and religion), incorporating and reconstituting ruling groups from pre-colonial society within the hierarchy of the colonial order (giving offices to chiefs and princes and educating them, granting land and tax offices), and conducting other experiments in 'planned' class formation. For example, the Tanganyika Agricultural Corporation was set up by the colonial government in 1953 to promote 'a healthy, prosperous yeoman farmer class, firmly established on the land, appreciative of its fruits, jealous of its inherent wealth, and dedicated to maintaining the family unit on it' (quoted in Cliffe & Cunningham, 1973, p.134). This was partly a response to events in Kenya (Mau Mau), and partly an attempt to create social groups which, it was hoped, would underwrite social stability and friendliness towards the former colonial power (and the West more generally) following the inevitable moment of political independence.

#### 11.5 And the origins of development?

The overview of social and cultural change under colonialism, brief (and schematic) as it is, contains some significant, more specific, historical markers. For example, the ability of an emergent indigenous intelligentsia (and working class) to articulate its opposition to colonial rule (and exploitation) in terms of universal principles of democracy and justice, and subsequently socialism, was related to the historical moments in which discourses about such principles and rights emerged – and were fought over – in Europe. The discourse of republican liberty generalized by the experience of France in 'the age of revolution' (Hobsbawm, 1962) loomed large in the struggle for independence of Spain's colonies in the Americas. Likewise, the discourses of democracy and nationalism that developed in Europe (and the USA) in the nineteenth and twentieth centuries were taken up by Asian and African anti-colonialism, while that of socialism exerted its appeal with particular force after the Bolshevik revolution of 1917 and formation of

the Third (Communist) International, with its support for anti-colonial and anti-imperialist movements.

Another historical marker is that the moment of independence from colonial rule in Asia and Africa only appeared 'inevitable' in the reshaping of the international political system after the Second World War when, as noted earlier, the strategies of the new definitive 'superpowers' (the USA and USSR) included the dismantling of Europe's colonial empires, above all that of Britain. Finally, as the example of the Tanganyika Agricultural Corporation in the 1950s suggests, the idea of development was established by the late colonial period – and, moreover, the idea of development as a process in which state funding, agencies and initiatives had a central role to play.

Ideas and practices of development – and their various complexities and contestations – are the central theme of this book. Here we can only sketch some of the contexts and contours of their historical career, in relation to the third and final question of this chapter, concerning the implications of colonial economy and society for development.

Systematic colonization, under the aegis of the state from the beginnings of Spanish rule in sixteenth-century Latin America to the colonialisms of Asia and Africa in the epoch of industrial capitalism, sought to theorize and justify the domination of colonial rule. These theories and justifications typically presented colonialism as in the interests, both practical and moral, of both colonizers and colonized. The earliest formulations of such ideology (and that persisted, with variations, throughout the long period of colonialism) centred on the mission of spreading Christian civilization. As the extract quoted earlier from a Spanish decree on *encomienda* shows, getting colonial subjects 'to live as Christians' entailed an opportune combination of elevating their belief through conversion and their practical morality through hard work.

The mercantilist phase of colonialism allowed the civilizing quality of 'commerce' (commodity production and exchange) to be coupled with that

of Christianity. The rise of industrial capitalism, the new colonialisms it generated (as in Africa and Indochina) and the older colonialisms it reshaped (of the British in India, the Dutch in Indonesia), generated additional – and more recognizably modern – justifications of colonial rule in the form of ideologies of *progress* (Box 11.3). Ideas of progress, with their own combination of elements of material advance and moral quality, could be proposed in secular, hence more universal, versions: from Christian civilization to industrial civilization, and the latter from ‘westernization’ to visions of ‘modernization’ and ‘development’ finally liberated from any explicit ethnocentric (as well as religious) associations.

### Doctrines of development

Chapter 1 introduced the original and provocative study of the historical origins and career of ‘doctrines of development’ by Cowen and Shenton (1996). They suggest (p.12) that ‘the modern idea of development was created in the crucible of the first half-century of Western European transition to industrial capitalism’ (by which Cowen and Shenton mean the first half of the nineteenth century):

1 Prior to the crucial half-century of ‘the great transformation’, earlier liberal views of progress – formulated by enlightenment philosophers and social theorists – saw progress as an immanent or ‘natural’ process.

2 In the period of profound change of the transition to industrial capitalism, its key contradictions – generated by its social class relations and manifested in patterns of inequality, poverty and unemployment, and their implications for social order (fear of revolution) – stimulated the invention of the idea of development as a process requiring intention and design.

3 The content and purpose of ‘development’ is thus to reconcile progress and order, to contain and manage the potential social disorder of the dynamics of immanent (or unchecked) capitalist development.

4 Doctrines of development combine this need for order with the agency of its intention and

design by an appropriate ‘trustee’ of society’s progress with stability: ‘(development) became the means whereby an epoch of the present was to be transformed into another through the active purpose of those...entrusted with the future of society’ (Cowen & Shenton, 1996, p.25).

5 Typically, such trusteeship has been vested in, or claimed by, the state.

This is only a partial summary of some key ideas of a large, complex, and (it has to be said) often very difficult book, but a summary that throws light on our question about colonialism and development. Cowen and Shenton propose the challenging thesis that doctrines of development, as they theorize the concept, address not only the prospects of change in poorer (colonial and former colonial) countries, and are not only relevant to the conjuncture of late colonialism and decolonization with which they are convention-

#### Box 11.3 ‘Progress’ and forced labour in the 1920s: Railway construction in the Belgian Congo

‘I work on track repairs with a group of fellow villagers. Men work on one side of the track, women on the other. When a woman can’t be sold or gets too old, she is made to do more work than a man. In scorching sunshine they carry large stones on their heads, level the ground and drag blocks of marble along, all to the sound of continual sad moaning. There is also a black overseer. The monotonous beating of a drum gives rhythm to the work, but when the music stops, the negro overseer brings down his whip on the shoulders of 50 or 100 male and female workers, passive, weakened and hungry. This is how we build the road to civilization. That’s how progress goes. The engine’s whistle blows where there was once the silence of the impenetrable forest. But the train runs on the bones of the thousands who died without even knowing what was this progress, in whose name they were made to work.’

(Congolesse worker’s letter to the International Trade Union Committee of Negro Workers, quoted in Nzula *et al.*, 1979 edition, p.85)

ally identified, but also have deeper historical roots in the epoch of industrial capitalism. In the second part of their wide-ranging book, they explore and illustrate this thesis in relation to the settler colonies (later ‘white’ Dominions) of Australia and Canada in the mid-nineteenth century, late nineteenth- and early twentieth-century Britain, and colonial and independent Kenya in the second half of the twentieth century.

The strategic conclusion they derive is that while European colonialism incorporated the territories of so much of the world in an (evolving) international capitalist system, and harnessed their resources – above all the labour of their inhabitants – to its purposes, it did so through doctrines of development and practices of trusteeship that inhibited the fuller development of capitalism. The principal reason is that while development was invented in Western Europe to control and manage the social *effects* (contradictions) of ‘the great transformation’ that had occurred there, in the colonies it was applied *pre-emptively*, as it were: to engineer progress within a framework of order, intention and design to anticipate and contain the social and, above all, class contradictions of capitalist development experienced in Europe.

It was this aspiration, argue Cowen and Shenton (1991a,b), that explains the apparent paradox of the colonial promotion of peasant export crop production for imperial and world markets on the basis of ‘traditional’ or ‘customary’ land tenure and forms of labour organization (household and ‘co-operative’), rather than the formation of indigenous classes of agrarian capital and labour, which colonial states in Africa tried to inhibit. Similarly, such concerns and notions informed the colonial anthropology of native custom, ‘community’ and ‘tribe’ as anchors of social stability, and the constitution of local government (indirect rule) on the basis of an ethnicity opportunely deemed both ‘natural’ to Africans and cost-effective to the colonial state (Mamdani, 1996, and Chapter 12 following).

The corpus of Cowen and Shenton’s (continuing) intellectual project is an original and comprehensive account of the historical origins and career

of ideas of development, applied in case studies of economic and social change, and (related) political, ideological and policy processes in a range of contexts (which exemplify the complex variations on their general themes). It also provides an analytical reference point to which other aspects, and accounts, of the relationship between (capitalist) colonialism and development can be linked, in all its ambiguities and tensions.

### The ambiguous relationship of colonialism and development

Modern colonial doctrine – as elaborated and applied in the century or so of colonial expansion and restructuring in the age of industrial capitalism – increasingly featured notions of development as a rationale of colonial rule and its responsibilities. Developmental notions ranged from the creation of law and order within a modern administrative framework, to the building of infrastructure and communications to facilitate both the exercise of law and order and the growth of markets and trade, the introduction of Western education and medicine, and the gradual formation of new tastes and disciplines, new capacities and values (Figure 11.9).

As with so much fundamental change elsewhere in the twentieth century, the decades of the 1930s to 1950s – marked by the great Depression, the Second World War, and its aftermath – were the crucible of a more explicit and comprehensive application of ‘doctrines of development’ in the colonies of Asia and Africa. Britain’s first Colonial Development and Welfare Act of 1939 could not be implemented because of the war, but a similarly titled Act of 1945 was the legislative framework of colonial state ‘developmentalism’ in the next 15–20 years prior to independence. The Tanganyika Agricultural Corporation, referred to above, is a typical example of a colonial development intervention of this period: premised on state initiative and management to engineer a more productive agriculture with explicit welfare objectives, through the social creation of an (idealized) ‘yeoman farmer class’. The example of the TAC also exemplifies the ‘trusteeship’ of the colonial state in gradually ‘elevating’ (a term dear to French

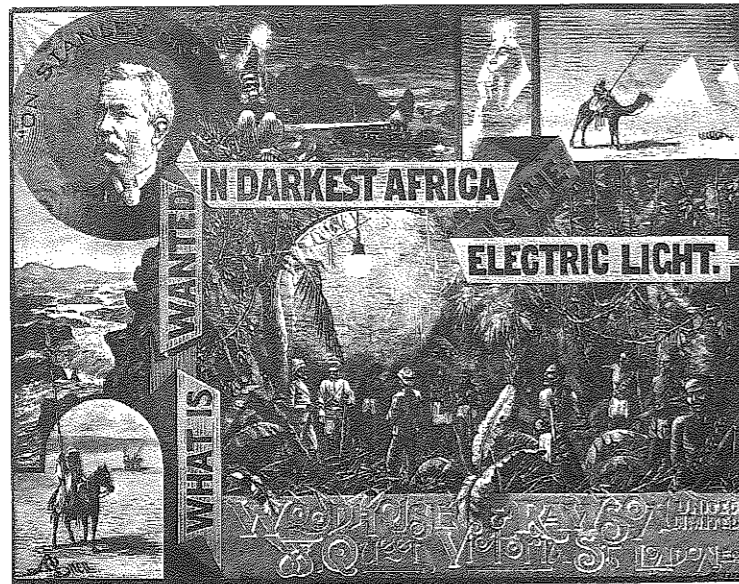


Figure 11.9 *Lighting up Africa: an advertisement from the 1890s.*

colonial discourse) colonial peoples to a level of civilization – material and productive, moral and civic – at which they would (eventually) be equipped to govern themselves.

From the 1930s, and accelerating after 1945, late colonialism in sub-Saharan Africa was thus marked by a more intensive and comprehensive series of interventions to promote development, manifested in a range of ‘model’ agricultural schemes, together with land use planning and environmental conservation; infrastructural development; urban planning and housing; labour relations and social services; education and health; local government reorganization and limited elements of ‘self-rule’. All this occurred within the framework of state tutelage or trusteeship, intellectually shaped by Fabian ideas of social engineering (Cowen & Shenton, 1991a) and by contemporary experiments with Keynesian policies in the metropolitan centres of the colonial powers.

At the end of colonial rule, then, colonial doctrine could say to its former subjects: ‘we have given you foundations of development’ – new crops and ways of growing them; a thriving international trade; ports, railways and roads; schools, clinics and hospitals; the apparatuses

and procedures of modern state administration – ‘and so now it is up to you’.

Of course, there are other, less sanguine assessments of the relationship of colonialism and development, of the ‘balance sheet’ of achievements and failures, problems and prospects, of development, at the end of colonial rule. As we saw, Cowen and Shenton’s perspective suggests that how colonial states attempted to engineer economic and social change – through the commitment to balance progress and order – significantly inhibited the fuller development of the social conditions of capitalist production (class formation) among the colonized.

There are other arguments, too, about how the contradictions of the colonial project of social engineering limited the realization of the claims of colonial doctrine, as summarized above. Recent historical research on colonialism in the modern (industrial capitalist) epoch, and especially the late colonialism of the twentieth century, has emphasized how ostensibly ‘rational’ (or rationalistic) and ‘scientific’ (or scientific) doctrines and designs of development that permeated colonial policies and practices – of agricultural growth, conservation or health care – were often intrinsically flawed and/or

inappropriate to the conditions of the colonies, both environmental and social (e.g. Little, 1992; Peters, 1994, on pastoralism in northern Kenya and Botswana respectively; Moore & Vaughan, 1994, on agriculture, conservation and nutrition in northern Zambia; Chandavarkar, 1998, ch.7, on state responses to outbreaks of plague in colonial Bombay). Such doctrines and designs, and the specific policies and practices they generated – however misconceived or inappropriate – could be imposed on colonial subjects with all the confidence of modernity and arrogance of trusteeship, even though their consequences might prove to be negative or simply ineffectual.

Beyond the kind of research cited and its findings on late colonial developmentalism, a contemporary, and more fundamental, issue was how colonial subjects themselves perceived the changes they experienced under colonial rule, and especially (for present purposes) the leadership and intelligentsia of the nationalist parties and movements which formed the governments of the independent states of Asia and Africa. Once again this is a general theme about which it is difficult to generalize empirically. However, it is possible to ‘unpack’ two aspects of it.

One is straightforward: the nationalist demand for independence was political and ideological, i.e. freedom from the oppression of rule by another state. The other proved more ambiguous in practice. This started from the belief that foreign rule entailed economic exploitation and obstacles to development, that colonies were established and ruled for the benefit of the colonial powers and not that of their subjects. This could encompass views that:

- 1 patterns of economic change under colonialism were ‘distorted’ towards the export production of raw materials needed by the markets and industries of the colonial powers;
- 2 the development of manufacturing industry, above all in capital goods and engineering – the definitive sector of modern economic progress – was blocked or otherwise inhibited by colonial states, whether through design or neglect;

- 3 the profits, hence accumulation, from the activities of colonial production and trade accrued to the economies of the colonial powers rather than being invested to promote the economic development of the colonial territories.

In sum, this position was not a rejection of ideas of development, nor of development doctrines that constructed them in particular ways, but a statement of the belief that political independence is a necessary condition of more rapid and comprehensive – and indeed of more properly ‘national’ – development: to overcome the colonial legacy of ‘poverty, ignorance and disease’ (a standard expression of the time), and to yield the fruits of prosperity and well-being. Achieving the progress of ‘national development’ was also widely seen, together with the connected ambition of ‘nation building’, as primarily the role of the now national state established at independence.

The element of ambiguity – and irony – in the project of post-colonial developmentalism, then, was that it inherited, adapted, reproduced, and in some instances reinforced, many of the specific ideas and methods of colonial doctrines of development and their constructions of modernity: what it means to be modern, and how to get there.

## 11.6 Conclusion

In 1961, Julius Nyerere expressed the hopes of the moment of independence: ‘This day has dawned because the people of Tanganyika have worked together in unity...[F]rom now on we are fighting not man but nature.’ In quoting these words at the end of his authoritative history of colonial Tanganyika, Iliffe (1979) commented ‘but it was more complicated than that.’

It proved to be more complicated precisely because the end of colonialism was not the end of capitalism. The former colonies of Asia and Africa still had to confront the unequal structures of the international division of labour and capitalist world market in their efforts to achieve economic development. In addition, the

contradictory social relations and divisions of capitalism were now as much part of their societies as of those societies in which capitalism had its origins; and many of the assumptions,

methods, institutions and practices of colonial doctrines of development, with all their intrinsic tensions, were assimilated in the designs for development of the newly independent states.

### Summary

1 The three main phases of European colonialism were connected with the development of capitalism in Europe: the crisis of feudalism; mercantilist expansion during the transition to capitalism and its 'primitive accumulation'; more systematic colonization through both expansion and the restructuring of colonial economies with the emergence and dominance of industrial capitalism.

2 The peak period of European colonialism from the mid-nineteenth to mid-twentieth centuries, in the era of industrial capitalism, involved more systematic and comprehensive exploitation of the colonies as sources of raw materials for industries in Europe, and as outlets for investment and markets for manufactured goods.

3 The making of colonial economies – through the organization of commodity production and trade by colonial states, settlers and companies – entailed the 'breaking' of existing patterns of production and social existence, of whole ways of life.

4 This process was encapsulated in the formation and functioning of colonial labour regimes, which underwent a broad, if uneven, sequence of change from direct coercion during the period of 'primitive accumulation' (slavery, tribute labour, indentured labour) to semi-proletarian, proletarian and household labour (petty commodity production) by the late nineteenth century.

5 Other aspects of social and cultural change under colonialism also contributed to new forms of social differentiation among the colonized, and exposed the contradictions of colonial rule, not least in challenging its legitimacy.

6 Colonial doctrine justified European colonization in terms of its 'civilizing mission', typically connected with ideas of racial superiority: from conversion to Christianity, to the civilizing effects of trade and, in the era of industrial capitalism, notions of progress universalized as 'modernization' and 'development'.

7 The European colonial empires were dismantled in the decades following the Second World War: anti-colonial movements became stronger, and international capitalism led by the USA no longer required the direct political rule of Asia and Africa (an 'imperialism without colonies'), while the proclamation of strategies of 'national development' by the newly independent states assimilated many of the tensions and ambiguities of the 'doctrines of development' of the era of (industrial) capitalist colonialism.

# 12

## THE POWER OF COLONIAL STATES

DAVID POTTER


One of the things that has conventionally distinguished developing countries in the Americas, Asia, Africa and the Middle East from the rest of the world is that nearly all such countries experienced some form of European colonial rule. Some of the reasons for the Europeans going to these parts of the world have already been mentioned in Chapter 11. They include the economics of the expansion of Europe, the development of capitalism, and the creation of a world market and international division of labour. Wherever and whenever the colonialists established themselves, they were gradually drawn to control the area they had conquered or in which they had their investments. Eventually these political interventions resulted in the formation of what came to be called colonial states.

Colonial states gradually ripped apart pre-existing economic and social relations and created colonial economies, including various labour regimes as discussed in Chapter 11. These and other actions of such states were more or less resisted by those on whom their rule was imposed. The result was that colonial rule was never easily created and maintained. In the end, the problem of rule became insuperable and the European colonialists withdrew or were driven out.

The 'problem of rule' from the European point of view had two related aspects. One was that lines of communication between Europe and far-flung

colonies, and between the seat of government in a colonial city and the rural countryside, were extremely slow and uncertain during nearly the entire period of colonial rule. Colonial powers in Europe therefore had to rely on officials in the colony whom they could trust to rule on their behalf. For the most part such trusted officials were recruited in the European country and sent out to the colony. But, and this is the other aspect, only a minuscule number of such officials relative to the indigenous population could be sent. For example, in 1906 shortly after the British took control of northern Nigeria the ratio of European civil officers to the indigenous population was 1 to 45 000; in terms of area it was 1 to 2900 square miles (Okonjo, 1974, cited in Mamdani, 1996, p.73). In 1939 the ratio of European officials to Africans in both the Belgian Congo and in French West Africa was about 1 to 4000 (Delavignette, 1950 cited in Mamdani, 1996, p.73). In India, Mahatma Gandhi used to put the same issue this way: 'We in India may in a moment realize that one hundred thousand Englishmen [his estimate of their number in India] need not frighten three hundred million human beings' (Gandhi, 1920, cited in Low, 1974, p.8).

Such ratios frame the key political question about the power of colonial states, the question with which this chapter is primarily concerned:

 How was it possible for so few Europeans to hold down so many colonial peoples?