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A wolf in sheep's clothing?

Wool production and expanding capitalism in the periphery

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Fredrik Lilja, *The Golden Fleece of the Cape: Capitalist expansion and labour relations in the periphery of transnational wool production. 1860–1950*, *Studia Historica Upsaliensia* 247 (Uppsala: Acta Universitatis Upsaliensis 2013). 225 p.

Fredrik Lilja's dissertation *The Golden Fleece of the Cape* is quite an unusual dissertation in History, certainly in the Swedish academic environment, but also in an international perspective because it both engages with a large empirical material and also asks broader questions about how the system of capitalism operates on the fringes of industrial society in the first steps of the transnational commodity chain.

The stated purpose of the investigation is to “analyze labour relations in capitalist wool farming in the Cape” and how it changed between the 1860s and 1950. This is a relatively long time period to cover in a dissertation on modern labour history. The investigation highlights many changes, both in the world economy and in the conditions under which wool was produced. The choice of time period is motivated by the fact that the first changes in wool production occurred in the 1870s when fencing started to change the face of the South African landscape and labour relations in the industry. By beginning the analysis in 1860, Lilja aims to cover these changes. The investigation ends in 1950, because by then labour relations were “definitely capitalist” in character and textile factories had started relocating to the periphery, which meant that the Cape itself was taking on another role in the world system.

Lilja connects his study to three distinct fields of historical enquiry: first, the international division of labour in the world economy; second, farm labour in South Africa; and, finally, research on child and family labour in

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the South African context. He points to the fact that practically all studies on South African labour history have been carried out with the nation state as the primary unit of analysis. He connects his work to studies by Marcel van den Linden (p. 12) and claims that some historical processes can only be understood as transnational phenomena.

Given how industrialization progressed in Europe, Lilja argues that wool production was an integrated part of the world economy from the beginning of colonization in the Cape. Moreover, given the lack of understanding of how social relations emerged in a global context, the role of farming and farm labour need to be re-evaluated. South African farm workers were not proletarianized "European-style". Instead, a number of different remuneration practices were used, but the process behind the changes that took place in practice has not been thoroughly explained (p. 18). A main critique against previous research is that it has analyzed agriculture as a unified sector rather than as specific branches with a focus on specific commodities. In Fredrik Lilja's book, the commodity, wool, is certainly at the centre of the analysis and he poses the following research questions:

- How did Cape wool farmers change the organization of production and how did it affect labour relations?
- How was the generational and gendered division of labour within labouring families affected by, and how did it influence, labour relations in wool farming?
- In which ways were the relations between wool farmers in the Cape and textile manufacturers primarily in Great Britain manifested and how did these relate to labour supply, legislation and environment in the Cape?

Lilja has used a large and broad selection of primary sources. The single most important one for the purpose of analyzing micro-level social relations is the farm diaries kept by many South African farmers. The material is primarily derived from the "Wellwood farm" in the Graaf Reinet Area, in addition to other material that offers a more complete picture of life and social relations on farms more generally.

Apart from the diaries, Lilja has used census material, select committee reports, journals, contemporary literature describing the labour process and general farming and magistrate records of court cases. These are used to illustrate changes in the relations between farmers and farm workers. Lilja's method of analysis is to measure the process of capitalist expansion through farmers' investments and qualitative and quantitative changes in labour relations.

The theoretical framework used in the study is Immanuel Wallerstein's work on relations between core and periphery and Rosa Luxemburg's work on an expanding capitalist structure. Here, Lilja draws attention to how a

core and a periphery are created in the colonial relationship between Great Britain and the white settlers of the Cape colony. Global capitalism is thus sketched as a system and Lilja follows Luxemburg's ideas that geographic expansion is an essential trait of capitalism itself. Investment into infrastructure, such as railroads, and the involvement of international banking capital are essential parts of this expansion process. But one important point that Lilja makes is that not all investment was carried out by major transnational "players." White farmers in the periphery also brought capital with them from Britain. The farmers thereby became the agents of capitalist expansion in the same way that European settlers spread capitalism on the North American continent or in Latin America. But the farmers were in turn affected by other structural forces. Core-periphery relations on the Cape were hence the result of actions both in the core and in the periphery. In this process, Lilja uses Eric Hobsbawm's argument that the privatization of land was a crucial component of capitalist expansion, since communally owned land could not be bought and sold freely. Class relations in the Cape emerged as a division between, on the one hand, landless farm workers – primarily black workers – who sold their labour for money, rations and grazing rights and, on the other hand, colonial capital owners, that is, farmers who owned land and livestock (p. 19). The latter group is the primary "agent" of the thesis. Lilja could have been more specific in regard to the stratification process among the farming population. Many times, sources describe more well-to-do farmers whereas Lilja, through his narrative, makes it evident that there were significant differences both in prosperity and in the field of labour relations between farms. Giving the agents of capitalism more nuance and texture and discussing internal class relations among farmers would potentially have contributed to the analysis. In other words, a discussion on class formation would have been welcome.

Even though Lilja's theoretical effort is well developed and goes back to the thinking of Luxemburg and the pioneering work of Wallerstein, he could have located his study in more recent globalization literature, which would have contributed to the analysis (pp. 25, 27). In addition, Lilja could have been more receptive to the question of race and its implications in the Cape context. He demonstrates empirically that there was a strict division of labour between people of European descent and the black population and also how legislation was used to protect the farmers. But what does race mean in the context of expanding global capitalism? A contextualization would have been possible with outlooks toward other peripheries, for example in North and Latin America or Australia.

In chapter two, Lilja analyzes the establishment of a core-periphery relation from colonial times and uses Engels' discussion of the English working

class and Luxemburg's work on the expanding capitalism. One commodity, land, was bought and used to produce another commodity, wool, which was in demand in the core, which for various reasons could not fill the demand from textile manufacturers. This led to a move of wool production to the colonies, where land was available. British settlers were the agents of capitalist expansion, but the Crown was also involved.

Chapters three to eleven are empirical in character and here Lilja carefully analyzes the sources. A fine quality of these chapters is that Lilja manages to present complex processes chronologically and at the same time weaves together the history of labour relations in the Cape with the history of the British Empire, the history of how World War booms and depression busts impacted on the wool industry and labour relations, resulting in changes in the social conditions of different groups in the Cape.

In chapter three Lilja presents the macro-level of regional wool farming. The overview gives us insight into the proletarianization process, or rather the lack of proletarianization, during most of the period between 1875 and 1946. The main category of workers that Lilja focuses on is the shepherds who were used throughout the period but who became decreased in number. By the presentation of figures for the wool industry and exports it is possible to get an overview of how demand and productivity increased and decreased due to conditions outside of the Cape.

In chapter four Lilja discusses how older ways of sheep farming, the *Kraaling and trekking*-system, gradually gave way to a system with enclosed camps. This meant that the land was used more efficiently as sheep in the older *trekking* system trampled a lot of ground on their way to grazing. By fencing camps the farmer could gain better control of the shepherds, and through some farmers' testimonies we learn that it was also seen as a way of disciplining the shepherds, who had a lot of autonomy in the older system. Lilja's examples from Wellwood show how fencing took time to complete and demanded a lot of resources in the form of barbed wire and labour. Consequently, the old system continued along with the new for several decades. Another way of increasing profits was for the farmer to secure water supply through dams and wells. Lilja connects the farmers' investment to labour relations on the farms (in chapters four, seven, eight and eleven), thereby providing important insights into how the expansion of capitalism affected labour relations.

Lilja does a fine job of piecing together a relatively thin source material and presents interesting new perspectives on labour relations. He shows how a large part of the farm workers were paid in kind. Farmers' lack of money was hence connected to an older system, the *lobola*, where marriages were sealed through the exchange of cattle. Lilja shows how farmers got access

to a family work force and how children were used for simple herding tasks from a young age. The wages for their work were generally paid to the father. Labour relations were hence based on a pre-capitalist family organization of work. This gave the family father the possibility to control labour to some extent and provided him with the opportunity to tend to his own farming. Smaller farmers were even forced to rent out land to so-called squatters (black peasants) who generally only paid rent. This offered black farmers the possibility to avoid farm labour to tend to their own farming instead while providing farmers with an extra income.

Labour relations on the farm Wellwood give some insight into the labour process. Work on the farm was seasonal with a high point during the shearing but also during construction work and fencing times. A large part of the farm workers were only temporally employed and there was a large labour turnover with workers coming to and leaving the farm. Shepherds were both discharged and left on their own accord. Wages show a similar structure to Europe, where men earned more than women and children. Labour was many times a scarce force of production in rural South Africa and there were two main sources of farm labour: first the migrant labourers who wandered between farms and, second, workers from “Kaffirland”, who were recruited by farm workers as demand increased.

As Lilja emphasizes throughout the book, black farm workers often held their own herds and were looking for work for themselves and their families as well as grazing for their sheep. The ownership of stock was important for farm workers and a herd could potentially offer black workers some independence.

Chapter six is a fine effort to analyze the role of the British Empire for the Cape. This part could have been more solid through references to world system literature and other secondary sources. Additional sources could have been added to more fully analyze the relationship between farmers and industrialists in England. The literature on colonial “elites” would have contributed to a better understanding of the topic.

Chapters seven and nine discuss how the capitalist expansion and its “grass roots-agents” were aided by the state. Already in the 1880s black peasants were under attack by legislation. In the Glen Grey Act of 1894 black land ownership was limited. This in turn disrupted the pre-colonial division of labour and black tenants were increasingly dependent on farm work for the sustenance of themselves and their families. Hence, the demand for farm workers in the capitalist sector generated legislation that would secure a pool of cheap labour to maintain wool production. In this sense the agents of capitalism had a political outlet in the colonial and later national government in South Africa that supported the class interests of the farmers as a

group. The workers, however, resisted these changes by holding on to their stock as long as they could. There was a gradual increase in the tension between classes in rural areas, and as a result, theft of cattle and disagreements over contracts became more common. Black workers were only gradually deprived of in-kind payment and grazing rights as remuneration was still widely used in the early 1900s. Most of the time workers were paid a combination of in-kind and cash payment.

Here the sources and Lilja's presentation of previous research could have been complemented. Much of these important processes occurred outside of the farm, whereas we can only follow the workers through the farm diaries and through secondary accounts (usually from officials and farmers). The strong oral history tradition among black workers in South Africa could probably have provided some additional information and given voice to how farm workers/peasants experienced the gradual integration into capitalist labour relations.

In the late 1800s and early 1900s a set of legislation was implemented to completely proletarianize the black tenant class, by limiting land ownership (1894) and by subsidizing fencing (1912) and jackal proof fencing. As a result farmers gained control of the labour process and became less dependent on shepherds. It also meant that a black tenant class emerged, increasingly dependent on wage work. These tenants were "fenced out" of the good grazing grounds and thus started to lose their livestock. The family as a production unit disappeared and people were increasingly hired as waged workers and as individuals during the 1910s. The demand for farm labour gradually decreased during the first decades of the 1900s, but a qualitative change in labour relations also occurred as jackal proof fences and better water supplies demanded another type of worker. The shepherd who needed certain skills to protect the flock from jackals was not needed anymore and was replaced by the camp walker. The farm workers hence lost contact with the commodity itself.

The 1920s and 1930s also bear witness to overarching changes in farming practices and remuneration systems. On Wellwood, cash wages were gradually implemented and in the 1930s, cash wages started to replace rations. Competition for labour from mining and other industries that offered better wages and better working conditions drew young men away from farming life and left older men and children in farm work, a process which meant that wages could be kept down for the services provided by shepherds. Lilja convincingly shows how Rosa Luxemburg's ideas on how capitalism first interacts with older systems and then consumes them are valid for the periphery and the expansion of capitalism. He probably would have reached even further in his analysis had he, in relation to Luxemburg, discussed the

interaction between pre-colonial and colonial societal structures. Here too, my guess would be that additional sources on the black workers would have been useful.

In conclusion, Lilja's dissertation is a fine example of an empirically-based and highly theoretical thesis in history. Through his work he demonstrates how historians can explore change over time in their analysis and how they can intellectually understand capitalism as a system. It is a good example of how local and regional case studies can inform overarching theoretical problems. Through the inclusion of parameters such as water supplies, grazing and jackals, it illustrates that the environment is crucial for understanding changes in labour relations in capitalist production. In many ways the thesis is a pioneering work. Given the character of global capitalism in our time, the thesis is a welcome contribution to the historic understanding of transnational commodity chains and labour relations in peripheries.