



Slavery and the British Economy

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DISCLAIMER: This lecture contains details of violence which some viewers may find upsetting

At Dorchester, on 4 October 1774, John Gordon – the owner of a slave plantation in Jamaica – died on his way back to the Caribbean. A memorial is in St Peter's church which recently applied for its removal – a request that collides with the policy of Historic England and the government to 'retain and explain'.

If the memorial were to be retained, explaining it would open up the entire complicated and emotive subject of slavery in the British empire. How to provide an explanation?

The 'dangerous rebellion' of 1760 was the largest uprising by slaves in the British empire in the eighteenth century – Tacky's revolt. Property was destroyed, and around 60 whites /free blacks– and a larger number of slaves - were killed. The revolt occurred during the global battle with France in the Seven Years War of 1756-1763 in Europe, in the Caribbean, in North America where Canada was taken; and in India, where the battles of Plassey and Pondicherry cleared India of the French. The revolt should be seen as part of this wider global conflict.

The abolitionists portrayed enslaved people as pleading for freedom, as in the medallion produced by Josiah Wedgwood in 1787 or on the tomb of Charles James Fox in 1822. In reality, slaves resisted and were active agents – in 1760, in the revolt in Demerara in 1823, and in Jamaica in 1831. Many slaves had been warriors in Africa and were skilled in 'bush' or guerrilla warfare. This was politically uncomfortable for the abolitionists who showed supplicant slaves to be rescued by paternalistic reformers.

Slavery in the Caribbean was brutal. The disease environment was challenging, and labour in sugar cultivation was harsh, especially in preparing the ground for planting. The overseers on slave plantations maximised production by 'driving' the slaves. One observer remarked that he 'heard many of the overseers say, "I have made my employer 20, 30, 40 more hogsheads [of sugar] per year than any of my predecessors ever did, and though I have killed 30 or 40 negroes per year more the produce has been more than adequate'. Consequently, the death rate was higher than births. The enslaved workers on the Mesopotamia estate in Jamaica grew by 31 between 1762 and 1789 only by buying 160 slaves. Unlike North America, where the slave population was self-sustaining, new slaves were needed from Africa.

The slave trade was initially a monopoly in the hands of the Royal African Company that was replaced by competitive trade from 1698. Data from the slave voyages website shows the relative and absolute peak of British involvement in the slave trade was in the third quarter of the eighteenth century: 1751-75, 832,047 enslaved people in British ships, 43.2 per cent of the total of 1.9 million in that period; 272,038 to Jamaica. With the abolition of the British slave trade in 1807, Portugal/Brazil dominated, followed by Spain.

How did Africans become enslaved? Both the slave trade and Tacky's revolt are connected with changes in west Africa. Centralised states of Oyo, Dahomey, Asante were expanding, encroaching on less centralised societies and fighting with each other. They secured arms from Europeans: it was estimated that by 1730, 180,000 guns a year came into Gold and Slave coasts. The import of British goods and growth of the slave trade contributed to the militarization of Africa: more slaves meant more guns, more war, more captives. Many enslaved people had experience in warfare - an important point for the sense of insecurity of the white population which was outnumbered nine to one in the Caribbean. How to maintain white authority?

Jamaica was a garrison with fortifications and Naval station to provide external security against France and

to support internal security. This military and naval presence had to be paid for by the British 'fiscal military' state – an efficient tax system that serviced government debt that paid for the cost of war.

Another source of authority was the maroons, slaves who escaped to the mountains where they established camps run by hereditary military commanders. They posed a threat until the first maroon war ended in 1739 with a treaty that recognised their rights. In return, they would 'use their best endeavours to take, kill, suppress or destroy' rebels and to capture and return runaway slaves. The treaty opened up the interior of Jamaica to settlement, and marked a period when the island had maximum influence in imperial policy, and planters had the greatest autonomy. This period ran to the end of the Seven Years War.

Above all, control was secured by brutal punishment and a regime of terror. The enslaved people were treated as 'a sort of beast, and without souls', 'a set of vile beings' who had 'as great a Propensity to Subjection, as we have to command and love Slavery as naturally as we do Liberty'. These assumptions were combined with a lack of legal constraint. The diaries of one slaveowner and overseer, Thomas Thistlewood, provides a detailed record of his sexual exploitation and brutal treatment of enslaved people which makes for difficult reading. He whipped enslaved people frequently and brutally, and then 'rubbed in salt pickle, lime juice and pepper'. He marked their bodies by slitting noses and cutting off ears. He put one man in an iron cage, 'gagged him; rubbed him with molasses and exposed him naked to the flies all day and the mosquitoes all night'. He demeaned and dehumanised: Thistlewood recorded of one slave that he 'gave him a moderate whipping, pickled him well, made Hector sh** in his mouth, immediately put in a gag whilst his mouth was full and made him wear it 4 or 5 hours'. It was a regime of dehumanisation and trauma which had consequences for British views of planters.

As well as depending on continued inflows of enslaved people and a regime of brutality, the island suffered from food insecurity and risk of famine. Slaves produced high-value export crops and planters grew food crops. The slaves had small provision plots, but above all the West Indies relied on imports from North America. Bryan Edwards, a leading commentator on Jamaica in the 1790s, remarked that 'It is true economy in the planter to buy provision from others... the product of a single acre of his cane fields will purchase more Indian corn [maize] than can be raised in five times that extent of land, and besides pay the freight'. This trade was important to the Middle Colonies and New England – their exports to West Indies allowed a trade deficit with Britain. John Adams, the future US president, saw that 'The commerce of the West Indies is a part of the American system of commerce. They can neither do without us, nor we without them. The Creator has placed us upon the globe in such a situation that we have occasion for each other.' This could be precarious.

Here was the context for Tacky's revolt in April 1760. Tacky had probably been a royal official or chief in Guinea in west Africa. Although men of high status who were captured in warfare could be ransomed, the price could be too high so that they were enslaved alongside ordinary soldiers. Tacky was shot and killed, and the remaining holdouts negotiated with John Gordon: they would surrender if they were sent out of Jamaica rather than put to death. Others were put to death to make a public example, by being suspended in iron cages and left to dehydrate and starve. One man survived nine days which was viewed as a sign of the unfeeling nature of black bodies, of their 'brutal insensibility'.

The defeat of Tacky was not the end of the matter: a larger rising followed in May – The Coromantee War led by an enslaved man known as Wager. As far as we can tell, he was a leading official or warrior – possibly Asante - in west Africa. At some point in the 1740s, Apongo – his African name - was captured and sold to Arthur Forrest (1716-70), a naval officer who was also a planter owning around 3,000 acres in Jamaica. Apongo served on Forrest's ship HMS Wager for a year – hence the name. Before the ship returned to England, he was discharged and became – like Tacky - a driver in charge of discipline on one Forrest's plantation. Forrest returned to Jamaica on naval duties and fought a French squadron in the battle of Cape Francois in 1757. He secured a fortune – and a landed estate in Berkshire - from his naval victories and the seizure of French cargoes. The lives of Apongo and Forrest were connected through the global conflicts of the Seven Years' War.

The rising started on Forrest's Masemure plantation in Westmoreland parish – a densely settled area with major plantations including those of William Beckford (1709-1770), Lord Mayor of London - defender of the rights of the City and English liberty, a supporter of John Wilkes. He is celebrated in his statute in the Guildhall that shows him admonishing George III. In all, there were around 15,000 slaves on 60 plantations in the parish, one of the most profitable areas of the British empire. The rising was difficult to suppress. The local militia, sailors from the fleet and soldiers, as well as maroons, pursued the rebels, using scorched earth and public terror. Apongo was eventually captured and sentenced to be hung in chains for three days and then

taken down and burned alive.

The success of the slave-owners showed that they could suppress even a serious uprising. Trevor Burnard, a leading historian of Jamaica, points out that 'White Jamaicans survived because they mastered the real and symbolic weapons of violence' in a 'highly rationalized, highly efficient, but extraordinarily brutal way of producing money through the sacrifice of humans. Rather than paralysing planters with fear of their precarious position, the defeat of Tacky's revolt emboldened them to use the 'immediate and unrelenting application of terror', combined with a 'coercive, intrusive, and expensive imperial and colonial state' that rested on high taxation - above the level that provoked the war of independence in the Thirteen Colonies. There, the imperial state was raising taxes and blocking settlers crossing the Appalachians which would lead to conflict with Native Americans. In the West Indies, the imperial state helped planters achieve security – above all, the victory of Admiral Rodney over the French and Spanish fleets in the Battle of the Saintes in April 1782 – an event celebrated in a memorial in the capital.

This success allowed the sugar colonies to prosper – the economy was at its peak from the Seven Years' War to the American revolution. It was hit by the disruption of the war of independence and a devastating hurricane, but high profits returned from the 1780s to 1807 when the slave trade was abolished. But while the slave colonies of the Caribbean flourished economically, their political and cultural standing declined from the peak in the Seven Years' War.

Opponents in the metropole saw the planters' way of life as degraded and debauched, as cruel tyrants who had lost character and become un-British. Samuel Johnson, on hearing of the death of one planter, remarked 'He will not, whither he is now gone, find much difference, I believe, either in the climate or the company'. This feeling that planters had turned Jamaica into a hell on earth was reflected in important court cases.

The **Somerset case of 1772**: could a slave be returned to Jamaica from England? Lord Mansfield, the Chief Justice of King's Bench, argued that slavery 'is so odious that nothing can be suffered to support it, but positive law'. Slavery was not positively sanctioned in England by statute or common law, and was not the same as medieval villeinage. This ruling meant that slavery could also be selectively abolished, as it was in Massachusetts and New York. The decision marked a distancing from the West Indies' interest: slavery was an un-English tyrannical innovation that had been invented in the West Indies.

This view of the degradation of slavery was reinforced by the case of the **Zong**. In 1781, the crew of this ship threw about 130 Africans overboard to claim insurance money as cargo. Mass murder was treated as an insurance case which turned on whether the victims died from 'perils of the sea' - a lack of water and a threat or insurrection. The insurers refused to pay and the matter went to court in 1783 when the jury found that the insurance company should pay. There was more than a suspicion that the reason for throwing the victims overboard was that their insured value of £30 was more than the market price in Jamaica. Mansfield allowed an appeal and the money was never paid. The action of the crew, and the mode of reasoning used to justify their action, exposed the immorality of the sordid enterprise. It was frequently referenced in abolitionist debate, as in Turner's painting.

Sentiments in the metropole were starting to change. The imperial state also wanted more control which threatened the autonomy of the colonists. Although they remained economically prosperous, they gradually lost their influence in London and unreserved support from the end of the Seven Years' War. The costs of defending the colonies rose with war with revolutionary France from 1793 and the second maroon war of 1795. When the maroon community at Trelawney complained that two men were flogged to death for stealing a pig, they were imprisoned on suspicion of revolt. War ensued. When the maroons were defeated, the governor decided to send the population of Trelawney to Nova Scotia – the pact with the maroons was rejected. The costs of external and internal security led to higher taxation, and the imperial government took more control and ended the period in which the West Indian interest had a disproportionate influence in London.

The West Indies were losing culturally and politically though they remained profitable, especially with the removal of competition from the highly productive French colony of St Dominique after the war of freedom of 1791. Pressure from legislation in the British parliament and self-interest forced planters to adopt more prudent slave management to reduce the threat of insurrection. The view of Edward Long, the deeply racist contemporary historian of Jamaica, was that the threat came from Africans: native born slaves would be more manageable; ending the slave trade might improve security.

The prospect of abolition of the slave trade encouraged 'amelioration' to reduce the death rate by better

conditions and to encourage births. After the abolition of the British slave trade in 1807, amelioration could be used to delay the emancipation. The horrors of the middle passage had ended, and conditions on the slave plantations were somewhat better. Rather than abolish slavery, George Canning's resolutions of 1823 looked to improve the character of slaves until they could share in the civil right of other subjects. In 1823, an uprising in Demerara – a highly productive and profitable area of expansion - convinced the Tory government that abolitionist agitation threatened colonial security and economic prosperity. The abolitionists still had a difficult battle with the slave interest before they succeeded in 1833.

What have we learned from explaining the memorial to John Gordon?

- The colonies in the West Indies – unlike North America - depended on constant streams of enslaved people from Africa where there was a spiral of warfare fuelled by British trade goods, leading to export of slaves as captives.
- trade in food, as well as financial and shipping services, from the Thirteen Colonies of British North America, helped cover the costs of their imports from Britain.
- The produce of coerced labour were exported to Britain for local consumption and for re-export to Europe.
- Major role for the Royal Navy which was supported by the fiscal military state.
- Men like Forrest and Beckford accumulated major fortunes which they spent in Britain on landed estates and conspicuous consumption.
- It was a 'just in time system', that was risky, based on credit to cover long-distance trade, with high leverage to buy plantations and slaves. It was brutal and tyrannical.

Do these considerations mean that slavery and the Atlantic economy were central to the British industrial revolution?

Slavery, The Atlantic Economy and The Industrial Revolution

The West Indian interest countered the abolitionists by claiming that slave plantations were vital for British prosperity. A supporter of slavery asked in 1833: 'What is your Bristol, your Liverpool, your Manchester, your Glasgow, if you take from them the West India colonies?' The answer was 'Nothing – worse than nothing – one universal scene of beggary and starvation'. Or Archibald Alison in 1832: 'the great bulk of West India proprietors reside in Great Britain, and their extensive colonial estates ... transmit their produce in the shape of sugar remittances to this country.... The profits of cultivation of every acre of land in the British West Indies [were] a source of wealth perennially flowing into the heart of the parent state'.

It was the abolitionist who argued that slavery was not essential for economic prosperity – that it was less efficient, that free labour was superior, that consumers at home were paying more for West Indian sugar protected by import duties against non-empire sugar; and the metropole was taxed to pay for defence of the colonies. Britain would therefore be better off without slavery and with the use of more efficient free labour.

Politics have now shifted. Critics of British imperialism stress that slavery was central to British economic development – a claim that is uncomfortably close to the defenders of slavery. This claim is denied by opponents of 'woke culture' who attack the National Trust for showing the undeniable link between country houses and slavery.

These debates are now new – they were central to British history. Slavery, and the Atlantic economy of which it was an integral part, should be considered in any history of Britain's economic development – but some recent historians have gone too far. The system was brutal and repellent – it was not necessarily the major cause of industrialisation.

Let me turn to assess the role of slavery in Britain's economic development and the Great Divergence between Britain and Asia I discussed in my previous lecture

Eric Williams, the author of *Capitalism and Slavery* of 1944 who became the first prime minister of Trinidad and Tobago, argued that profits from the Atlantic/triangular trade 'provided one of the main streams of that accumulation of capital in England which financed the Industrial Revolution'. He pointed out that 'industrial expansion required finance. What man in the first three-quarters of the eighteenth century was better able to afford the ready capital than a West Indian sugar planter or a Liverpool slave trader?... The investment of profits from the triangular trade in British industry ... supplied part of the huge outlay for the construction of

the vast plants to meet the needs of the new constructive process’?’

‘Some of the capital which financed the growth of the metallurgical industries was supplied by the triangular trade’.

‘It must not be inferred that the triangular trade was solely and entirely responsible for the economic development. The growth of the internal market in England, the ploughing-in of the profits from industry to generate still further capital and achieve still greater expansion, played a large part’.

But how large a part? Sometimes he implied it was the major part: ‘It was only the capital accumulation of Liverpool which called the population of Lancashire into existence and stimulated the manufacturers of Manchester’. The details in the book naturally concentrate on examples from slave traders and owners and not other sectors of the economy, so the impression is that they were vital to industrialisation:

- In Liverpool, merchants in slave and Atlantic trade like Thomas Heywood became bankers who supported Lancashire industry and transport.
- Anthony Bacon was engaged in the trade and set up an iron works in south Wales.
- Lord Penrhyn developed the slate industry in North Wales and owned slave plantations in Jamaica.

From this accumulation of cases, it is easy to assume that the slave trade, slave plantations and triangular trade were vital.

Williams’ argument was not central to academic debates over the industrial revolution when I was a student in the 1960s. It has now returned – above all in Joseph Inikori’s *Africans and the Industrial Revolution* (2002) and Sven Beckert’s *Empire of Cotton: A New History of Global Capitalism* (2014). Inikori tried to provide quantitative measures – not just for the West Indies but more generally for the contribution of African labour across the Americas in all European empires to the industrial revolution. He presented a powerful case:

- Successful industrialisation requires exports: England was the first successful case of ‘import substituting industrialisation’, by replacing – for example - Asian textiles. This policy was linked with aggressive export promotion.
- The growth of international trade between 1650 and 1850 depended on the Atlantic world which was integrated into a quasi-common market for production and trade. ‘In the final analysis, all of these developments depended on the forced specialisation of enslaved Africans and their descendants in large-scale production of commodities for Atlantic commerce in the Americas’.
- He puts together data from the Spanish, Portuguese, British, Dutch and French Americas and Caribbean. He finds that the share of export commodities produced by Africans in the Americas was 55 per cent in 1551-1600 (when there was still an indigenous labour force), rising to a peak of 82.5 per cent in 1761-80, before falling to 68.8 percent in 1848-50. ‘In matters of export production for Atlantic commerce, the Americas were indeed an extension of Africa’.
- Commodities went to the metropole for re-export and contributed to the growth of intra-European trade – Britain benefited and was helped by preferential treaties with Spain and Portugal.
- Farmers, fisheries, shipowners, merchants, rum distillers of North American colonies served the West Indies and bought goods from Britain. This combination was specific to England, unlike the Spanish, Portuguese, Dutch or French empires.
- This Atlantic trade was central to the growth of British shipbuilding and shipping. He estimates that ships built for the African trade were around 15 percent of the total at the turn of the eighteenth and nineteenth centuries. This led to the construction of the West Indian docks in London between 1800 and 1802, for example.
- The Atlantic slave economy was the prime mover in the emergence of financial institutions – high risks and long distances meant that insurance and credit were more important than in domestic and European trades. Insurance of the slave and West India trade was over 60 percent of total marine insurance.
- Provision of raw materials: in 1801, imported raw materials were 71 per cent of those used in industrial production; and of those from the Americas, just over 70 per cent were produced by Africans. Cotton industry almost entirely dependent on African produced raw material from the West Indies and Brazil, before turning to the southern United States.

- British industrialisation was led by a few regions which ‘were individually more internally integrated and tied more closely to their overseas markets than they were connected to the other regions of England’.
- Slave-produced commodities created new tastes in Britain which encouraged a consumer. Commercial culture.
- Trade with Asia depended on the Atlantic to secure bullion; and a large part of Asian textiles were for re-export to the Atlantic economy.
- ‘This centrality of Atlantic commerce to the development process of England is the real measure of the contribution of Africans to the British Industrial Revolution’. It explains the Great Divergence – the Yangtze region stagnated without overseas markets and raw materials provided by the Atlantic.

It is right to put the Atlantic slave economy back into the development of the British economy. There is also a danger of exaggeration which has entered into public discourse. The former director of the Bristol Old Vic, for example, claimed that ‘Our theatre was built in 1766 when really the only source of income in the whole Bristol economy was directly or indirectly related to the transatlantic slave trade’. Williams did not go so far, and such exaggerated claims play into the hands of opponents of so-called ‘woke’ culture. We need to counter them with careful historical analysis.

What Did Slave Traders And The Owners Of Slave Plantations Do With Their Profits?

Where were the profits from slavery and the wider Atlantic economy invested? We need to know about the consumption behaviour of these individuals – were they more or less likely to invest than others?

Many were extravagant, spending money in conspicuous consumption like the gothic following of Beckford’s heir at Fonthill Abbey. They put much of their wealth into landed estates rather than industry, to become English gentry.

The records of compensation paid to slave owners after the abolition of slavery indicate that slave-owning was predominantly Tory and Anglican. Nicholas Draper shows that ‘large-scale slave-ownership or financial exposure to slavery permeated sections of the Anglican rural gentry class’. The fictional example of Sir Thomas Bertram – a landowner with a plantation in Antigua - in Jane Austen’s *Mansfield Park* had real life counterparts.

Let us consider two of the wealthiest Jamaican planters:

Simon Taylor (1740-1813) was born in and lived in Jamaica, and never married. He had children with his long-term slave partner; his heir was his brother John – of whose spendthrift ways he despaired - and his nephew. On Simon’s death, he owned four plantations and also cattle pens with 2248 slaves, valued at £128,550; his personal property of £739,207. His assets in England were £512,601 of which £380,680 was in government bonds. He was the richest Jamaican and one of the richest men in the empire. What happened to this money? John was a member of the Society of Dilettante – died before Simon, so fortune to John’s son who died soon after, and then to niece and her husband who squandered most of the fortune on socialising with William IV, fine art, and a landed estate in Wiltshire.

This family disappeared – unlike the **Lascelles** family, an example. They were ‘gentry capitalists’ who moved from modest landed origins in Northallerton to make a fortune from trading in sugar and slaves, lending to planters, and exploitation of provisioning and tax collection in Barbados. Henry died in 1753 with a fortune of around £500,000, left to his two sons – the younger ran the business, the elder into politics and built Harewood House in 1759-71. They did not own a single slave or plantation until the financial crisis of 1772-3 led them to foreclose on loans. Between 1773 and 1788, they acquired 24 estates of 27,55 acres and 2,947 slaves. Both were childless and their joint heir became the earl of Harewood in 1812. Profits from the Atlantic slave economy formed an aristocratic dynasty rather than industry.

Which Way Did The Money Flow?

Planters were highly leveraged, and it was a risky business with the chance of high rewards and also failure. Merchants could end up as major planters as a result – as in the case of the Lascelles.

Also, merchants who prospered from the trade with the West Indies could ignore investment in industry and put their money into plantations. For example, John Gladstone, a Liverpool merchant, did not invest his

surplus into industry in Lancashire but into slave plantations in the expanding – and highly profitable - area of Demerara: in 1833, he had £296,000 there and only £1,200 in shares in docks, canals and railways.

Stanley Engerman and David Eltis, leading historians of the Atlantic economy and slavery, point out that ‘The British could have funded government war debts, or built canals and textile mills, or fed a rapidly growing population, in the absence of Africa and the Americas. It is much less certain that there would have been a slave trade and capital intensive plantations in the Americas without the credit and mortgage financing that flowed from the European metropolitan centres and made long-distance labour flows possible. The Caribbean itself may have generated much of the capital it needed, but the direction of the net transatlantic capital flow remains unclear’

Was The Atlantic Economy Large Enough To Be The Prime Mover?

The scale of the slave trade and economy was not larger than many other sectors. According to Engerman and Eltis, the value added in West Indian sugar was £5.4m in 1805 which was below many other sectors: iron £14.7 m, woollen textiles £12.8 m, cotton textiles £12.8m, sheep farming £7.6m – and many were close, such as coal £4.6m and linen textiles £4.3m. This leaves out other large sectors such as wheat growing, horse breeding, hospitality, and construction.

These sectors could fund the industrial revolution – no evidence that sugar/slavery was more directed to industrial investment than other sectors.

True, the Caribbean grew faster than the British economy. Caribbean plantation production grew at about 1 percent pa 1700-70; British national income around 0.7 per cent pa. Eltis and Engerman point out that it grew from the equivalent of a small county in 1700 – Rutland with a hypothetical endowment of coal, plus Westmoreland as equivalent of Chesapeake – to a large county in 1801, the size of Lancashire.

Put this in perspective:

- The French Caribbean grew even more rapidly in the eighteenth century: in 1770, it produced 43 per cent more crops by value than the British Caribbean. Slave/plantation sector was a smaller part of the British economy than it was in Portugal and Spain.
- Not the major export market: what stands out is the range of markets, in Europe, Asia and Americans. ‘A striking feature of the markets for British goods between 1775 and 1850 is their wide geographic range, suggesting an ability to sell in whatever markets happened to become available’.

This argument puts the Atlantic economy into perspective – not to deny that it had a role. Eltis and Engerman go too far in reducing its importance.

Cotton textiles stand out in the value added, and were central to import substitution for Asian textiles. They say that raw cotton was a small part of the total costs of cotton textiles, and growth relied on improved productivity. This is true – but growth was not possible without supplies from slaves in Latin America, Caribbean and the US.

They say that the linkages of sugar to the rest of the economy ‘seem weaker and less “strategic” than those of other industries such as textiles, iron and coal’. But they miss the injection of additional calories and ‘ghost acres’, and development of taste that led to commercialisation.

There were clear links with copper: used to sheath vessels to protect their hulls; for boiling houses in the West Indies and rum distilleries in North America. Copper was also used in the slave trade – Guinea rods and manillas (bracelets). In 1774, the *Africa* left Bristol for the bight of Biafra with 4,000 copper rods, 200 brass bowls, and 16 casks of manillas. Crucial to Bristol and Swansea in the early 18th century, before a turn to Asia.

How Did Industry Accumulate Capital?

Even large cotton firms did not need large amounts of fixed capital: M’Connell and Kennedy, Manchester cotton spinners, had only £13,129 of fixed capital in 1800 and £81,177 in 1821; more important was inventory capital of £13,982 and £125,567 respectively. Most of the fixed capital was obtained by ploughing back profits from the firm. The initial capital for factories often came from putting out merchants who provided materials to domestic producers in the Pennines, or from small-scale artisan producers with loans secured on land and property.

Much larger sums were needed to sink deep coal mines or to build harbours and docks for the coal trade –

but if we look at the source, it was more likely to come from landowners such as the Marquess of Bute in south Wales or the Londonderry estate in Co Durham.

Credit was vital in most manufacturing industries, to obtain raw materials or to consumers in distant markets. Here the merchants of Liverpool, Bristol and London did play a role, above all in funding the cotton crop. Goods were bought and sold using bills of exchange – a promise to pay after a certain period. These were discounted to obtain ready money. Bills drawn on Lancashire were sold to bankers in London who in turn sold them to bankers in East Anglia who had surplus money after the harvest. The credit system therefore rested on domestic agriculture as well as the Atlantic economy.

Were Industrial Regions More Integrated With The Colonial Markets Than Internally?

My point on the credit from East Anglia runs counter to Inikori's claim that regions within Britain were less integrated with each other than with their export markets. Such a claim misunderstands the nature of British economic development.

- In the early seventeenth century, regions still tried to be self-sufficient in food and did not specialise. In the late seventeenth and early eighteenth centuries, regions specialised. They were now confident that obtain goods from other regions, markets were more integrated – and this led to higher productivity. The state encouraged active markets and commercialisation.
- East Anglia deindustrialised to concentrate on wheat for bread and barley for beer – linked to the growth of London which also relied on coal from the north-east. The Atlantic economy was important but also relied on these other factors – as well as trade with Asia.

What Was The Relationship With The Fiscal Military State?

- In Spain and Portugal, state revenues from Latin America paid for European warfare that diminished economic potential.
- The British state became He argues that states became fiscally powerful not through colonial expropriation but through a fiscal and financial regime with capacity to raise taxes and loans from the domestic economy.
- This fiscal military state was more successful than in France where the state was in frequent default, and the tax system was dysfunctional. It funded the naval victories of Forrest and Rodney.
- It became problematic after 1815 when the cost of servicing the war debt was very high. Landed property escaped tax – and was supported by the corn duties; and the West Indies were protected by higher duties on sugar from other producers. The costs fell on domestic consumers and industry (coal, iron, glass, beer, salt). These complaints were linked with the growing demands for parliamentary reform which came in 1832.

This challenge to the domestic state, and the need to rebalance the fiscal system, was linked with the end of slavery.

Abolition: Causes and Consequences

In 1833, parliament voted to abolish slavery the next year, in the empire though not in India, and not as yet banning British involvement in slavery elsewhere in the world.

It was not that slavery in the West Indies had become unprofitable. Jamaica had passed its peak of prosperity, but slave plantations were still expanding in Demerara. Slavery in the British empire had not reached the end of possibilities for expansion.

To Williams, the abolition of slavery arose from an economic contradiction: it was not compatible with industrial capitalism. 'The commercial capitalism of the eighteenth century developed the wealth of Europe by means of slavery and monopoly. But in so doing it helped to create the industrial capitalism of the nineteenth century, which turned around and destroyed the power of commercial capitalism'.

The problem with this argument, as he admits himself, is that 'British capitalism had destroyed West Indian slavery, but it continued to thrive on Brazilian, Cuban and American slavery'.

Why was slavery rejected within the British empire and not outside?

- Humanitarianism. Abolition was – in the term of Seymour Drescher - ‘econocide’, the costly triumph of humanitarianism over economics, caused by revulsion at the character of the planters, and a sense that it was the slaves who were more civilised. The uprising of December 1831 was led by Baptists. The expectation of planters that locally born slaves would be more amenable was not correct. They blamed missionaries and looked like opponents of Christianity. To the Whigs – unlike to the Tories at the time of the uprising in 1823 – slavery was the cause of insecurity. This uprising coincided with attacks on the unreformed parliament that favoured the landed elite and favoured monopolists.
- Politics of the West Indian interest. The attack was on the West Indian monopoly, just as on the monopoly of tea by the East India Co. Their sugar was protected by higher duties on other regions.

Allowed in East Indian sugar on equal terms in 1836.

Sugar duties ‘equalised’ in 1846: led to failures of West Indian merchants in London, and crisis and tax revolt in Jamaica.

The concern of the British political elite – above all Peel and Gladstone whose families were themselves beneficiaries of slavery – was to stabilise British society by creating a more equitable fiscal regime, and allowing British consumers to share in prosperity.

It was not necessarily that industrial capitalists were against slavery so much as opposed to the protection of the West Indian interest.

- To some supporters of free markets and labour, there was no need for naval intervention to suppress the slave trade or to ban British ownership of slaves. In 1843, John Bright – the supporter of free trade and opponent of the corn laws - opposed legislation to prohibit British involvement with slavery. It should be a matter of the moral feelings of individuals; to ban slave-produced sugar would be to undermine the claim that free labour was superior.
- British industrialists relied on slave produced cotton from the American South, and investment flowed into the slave states.
- The Swansea copper industry relied on ore from Cuba, where British firms owned and operated mines worked by slaves. At Cobre mine in 1836, there were 80 British specialists, 150 free workers, and 422 slaves.
- Despite John Bright’s opposition, an act of 1843 banned new purchases of slaves by British employers anywhere in the world. Cuban copper companies secured a concession not to free those already owned; and they continued to hire – rather than own – slaves.

In return for abolition, the slave owners were compensated with the payment of up to £20m – equivalent to about 4.6 per cent of British GDP. The slaves were not compensated and had to spend a period of ‘apprenticeship’ without payment to secure their freedom.

The abolitionists were uneasy - compensation recognised that slaves were property – but the owners argued that beneficiaries included widows and orphans who never saw the estates, and that children would be sent to the workhouse.

Abolitionists came to accept that they could condemn slavery and uphold property rights that were in conformity with the law as it had existed. One Liverpool abolitionist commented in 1826 that ‘it would be robbery, under the garb of mercy, to compel one class of individuals to atone for the injustice of a nation’. Rather than a few criminal individuals who deserved to lose, it was admitted that the nation as a whole was at fault, and that many individuals who stood to lose were not complicit.

It was a huge sum, and it is often said that the funds were used for industrialisation – not least for the construction of railways. This sounds plausible, and some funds can be directly traced. John Gladstone received compensation of £109,000 and invested heavily in railways: his shares were valued at £169,700 in 1843. Nicholas Draper found that ‘slave-owners and slave mortgagees were disproportionately prominent in the earliest railway projects of the 1820s and 1830s’.

But not exaggerate the role of slave compensation as a source of capital.

City of London bankers wanted slave owners to be compensated so that they could pay off their debts. The City feared the impact of a collapse of the slave economy on credit – compensation would allow an orderly reduction of debt.

By contrast, country bankers who were more involved with industry worried that the scale of compensation and the need for a large government loan would threaten financial stability. The Birmingham banker Thomas Attwood worried the loan would create a shortage of credit for the construction of railways. As one contemporary said, 'the money paid to the owners of slaves will be received by men who have very little connection with bill-brokers, with manufacturers or with the Stock Exchange' – men such as the heirs of Simon Taylor.

About half of the compensation went to non-British residents in the colonies – and a considerable part of the compensation to British residents went abroad, especially to US railways and cotton states, and to Brazil – much of it into the slave-based economies. The result was a drain of bullion overseas that helped cause a financial crisis in 1837.

What was the impact of abolition on Africa?

The end of the slave trade created problems for African political systems geared to slavery. West African states had built power and wealth from the slave trade. The loss of revenue from the slave trade weakened these states.

Abolitionists hoped that 'legitimate' commerce based on free labour would compete with slave produced goods; and would provide African slave traders with alternative sources of income. Cultivation by free peasants of palm oil, ground nuts, cocoa.

This change could also provide an opening for imperialism. By the middle of the nineteenth century, the major West African export was palm oil. In Liverpool, William Lever and Port Sunlight – 'legitimate' commerce (based on forced labour in the Belgian Congo) – replaced Gladstone and slavery.

Conclusion

We do need to insert the slave economy into the history of Britain – as part of a wider Atlantic economy that includes other European empires and considers the impact on the economies of West Africa.

In doing this, we should not over-compensate for past neglect – we need to work through the details of the relative importance of the Atlantic slave-based economy compared with other markets at home, in Europe and Asia; the sources of capital and raw materials; and the direction of investment of profits. It is plausible that the main role of slavery was not in funding the industrial revolution but landed gentry families.

To criticise those who try to work through these arguments as 'woke' is to misunderstand British history. These issues were debated by contemporaries and deeply divided opinions – to say that analysis undermines our common heritage ignores the reality that our history was always contested.

By the way – despite government policy, the memorial in Dorchester is under ecclesiastical jurisdiction and is to be removed to the local museum which has an opportunity to explain. Closer to us here in the City, the statue of Beckford will remain in place with an explanatory plaque. It will need to be a large one to do a lot of explaining.

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