**Slavery, Capitalism and the Industrial Revolution**

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Instead of pre-circulating a conventional seminar paper we here take the liberty of providing a context for our presentation in the form of the proposal for a book entitled *Slavery, Capitalism and the Industrial Revolution*. This proposes a scholarly synthesis of ideas and research on the impact of slavery and British colonialism in the Americas on the economy of the metropole during the long eighteenth century. It revisits a set of old debates but in new ways. It is prompted by four factors that together make this the time to write such a book:

1. The political moment of Black Lives Matter and civil liberties struggles that have increased demand for an accessible and thought provoking survey of the subject.
2. The emergence of new historical frameworks that situate the subject and earlier research findings in a new light. These include new global history and new histories of capitalism.
3. New digitised sources and recent research results
4. The absence of an up to date synthesis suitable for students and general readers.

Our presentation will consist of a brief outline of the project and its purpose, inviting questions about any aspect covered by the book. This will be followed by more detailed treatment of the content of two selected chapters:

* 1. The importance of sugar and other colonial ‘groceries’ to the British economy and British society (MB). See below synopsis for chapter 3
	2. The impact on the  British economy of financing the slave trade, colonial expansion and the Atlantic trading system (PH). See below synopsis for chapter 8

We will conclude by briefly considering the legacies of slavery and eighteenth century colonialism for Britain’s economy and society thereafter and for reframing the economic history of the Industrial Revolution.

**Book Proposal**

Samuel Touchet, a member of the Company of Merchants Trading to Africa, was a sugar and cotton merchant, speculator, slave trader and plantation owner of the mid eighteenth century. He was also a key industrial promoter of Britain’s new cotton industry. With his brothers he ran one of the leading cotton check firms in Manchester, engaged heavily in the Liverpool slave trade and had shares in twenty West India ships. He was the main financial backer for the first powered spinning machine and the first mill both developed by Lewis Paul and John Wyatt during the 1740s and early 1750s. His Africa interests extended to an attempt to monopolise the trade from Senegal in slaves, gum Arabic (needed in the cotton calico printing trades), as well as gold, ivory and wax. Touchet was among those prescient merchants, speculators and slavers who saw where the future lay in their investments in sugar plantations and the London sugar market, and from there in the small, but rapidly growing cotton industry. He raised his investment funds for the British cotton industry in the slave trade, on the family Caribbean plantations and in the futures markets of the London sugar trade.

Across the Atlantic, not many years after, Flora, an enslaved woman on the Parnassus Estate owned by Henry Dawkins in Jamaica, was listed in 1779 as a ‘driver’, overseeing a group of field labourers. Her group, the ‘grass group’, was mainly made up of children from as young as six. She was the only woman among the eight enslaved drivers who co-ordinated the labour of the 449 enslaved people on the estate. She was valued at approximately £38.6s, the average for enslaved women in Jamaica at the time. The book keeper listed Flora as mother of one or possibly as many as three children. Women such as her were among the four run-aways listed that year. On the basis of an initial payment likely to have been much less than her valuation in 1779, she worked throughout her life with others like her to raise profits on the estates of her master yielding an income for the Dawkins in 1775 of £44,000, money which subsequently funded the parliamentary seats in Britain of the next generations of the family.

These two lives from Britain and the West Indies were closely connected in the making of the British industrial revolution. The proposed volume will include many such stories, readily available in scattered archives, in research papers and in online sources but our main purpose is to gather evidence that demonstrates just how deeply-embedded were the gains from the slave trade and enslaved labour on Caribbean plantations in Britain’s industrial history and economic growth. This book weaves narrative and analysis together to consider the *systemic* connections between slavery and the British economy in the long eighteenth century.

During the Black Lives Matter protests in June 2020 the statue of Edward Colston, prominent eighteenth-century Bristol philanthropist was toppled and thrown into the dock in Bristol. The sources of his wealth, earned in the slave trade had long been hidden in the munificence of his philanthropic legacies. Though his connections with the slave trade were well-known among some, there was little wider public and political knowledge of this. His story was the tip of an iceberg. Many public, educational, charitable and commercial institutions have recently sought to understand their own slave legacies. What is surprising is how little we still know of the economic gains from slavery embedded in the wealth of Britain. Our students and the broader public have little informed knowledge of the big picture of the connections between slavery and the industrial revolution. Recent histories associate slavery largely with Africa and the Americas. Britain’s part in the history of slavery and what she gained from it is much less frequently acknowledged. There is no short accessible book introducing this topic to students, wider readers and the many people now seeking to understand the historical background to our current politics of race and inequality.

Stimulated by the rise of black history, by contemporary civil rights and civil liberties struggles and by the recent salience of the Black Lives Matter movement, a new generation of researchers has recently transformed the social and cultural history of slave societies. Despite their commodification and dehumanisation, enslaved peoples created sophisticated cultures of resistance and resilience, new identities and art forms. By contrast, with one or two notable exceptions, economic historians of Britain have failed to pursue the case made by contemporary eighteenth and nineteenth century writers, and by Eric Williams in his *Capitalism and Slavery* (1944), for placing the slave trade and plantations centrally among explanations of economic growth.[[1]](#endnote-1) Most economic historians writing about the industrial revolution since the 1980s have ignored slavery and plantations altogether. Most textbooks that currently lead the field in addressing British economic growth in the eighteenth century concentrate on changes in resources, capital and labour internal to Britain, and devote scarcely a sentence to slavery or West Indian plantations.

Our short book will challenge recent accepted treatments of the industrial revolution by setting the origins and early part of this industrial revolution within a wide global framework. It will demonstrate the key part played by the development of a commodity trade with the West Indies and the role of enslaved labour integral to this trade. The book will engage with new histories of consumption, of global history and of the history of capitalism in making its case for a new history of the industrial revolution in which slavery played a significant part, a part which must be acknowledged as part of Britain’s road to economic growth.

Apart from new historical frameworks, we also now have a wealth of digitised and searchable primary sources unavailable to earlier scholars. In particular the Legacies of British Slave Ownership database makes it possible to trace not only many British owners of plantations and the enslaved, but their links with other businesses, industries and investments. ‘Slave Voyages’, the trans-Atlantic slave trade database, details all recorded slave ships and their cargoes travelling from Europe to the New World via Africa.[[2]](#endnote-2) Other online data, such as the Cambridge Group occupational statistics, make it easier to consider the direct impact of the slave-based Atlantic upon Britain’s pioneering industrial regions and sectors.[[3]](#endnote-3) New historical frameworks, new sources and the political moment make this the time to write such a book.

The volume will be a scholarly synthesis, drawing on new approaches and perspectives. It will question older historical debates about the profits of slavery and plantations, casting the net wider to draw in evidence from recent and older histories of the integration of the Atlantic trading world, and of consumption, trade and industry, innovatory industrial regions, and financial capitalism. It will be written in an accessible style, enlivened by key life stories and events relevant to the issues discussed. We will draw action and story into the measures and models of earlier histories. We will also integrate the lively debates surrounding colonialism and slavery to be found in the writings of contemporary thinkers, including John Cary (1649-1719), Henry Martyn (1665-1721), Joshua Gee (1667-1730), Bernard Mandeville (1670-1733), and Malachy Postlethwayt (1707-1767), as well as Smith, Hume and Marx. Presenting the industrial revolution from this different point of view will, we hope, generate new research on the economic history of Britain with its slave roots included and acknowledged.

**Chapter Headings**

**Introduction**

1. **Slavery and the British economy 1650-1800: how did it work and how did it change?**
2. **Slavery and the British industrial revolution: identifying the connection**
3. **Small islands, big consumption: sugar’s global economy**
4. **Plantation knowledge and innovation**
5. **Ports and their hinterlands: structural and regional transformation**
6. **Iron and copper revolutions: metals, hardware and mining**
7. **Textile revolutions: cotton, wool and linen**
8. **Financial capitalism**
9. **Britain’s industrial revolution and the new history of capitalism**
10. **Legacies of race and inequality**

**Chapter Summaries**

**Introduction**

The popular image of British industrialization features the smoking chimneys of cotton factories, giant blast furnaces and railway transport. But these date largely from the decades following 1815. The innovation of steam-driven cotton mills and the mass production of the iron, steel and railway sectors may explain why the Industrial Revolution did not falter and stop, as national and international conditions changed in the decades following the Napoleonic Wars, but they do not explain why and how the industrial revolution began. In this introduction we set out our purpose: to examine the early stages of the industrial revolution in Britain, largely before 1815, and to consider how much of the dynamism and change in the economy of the eighteenth century was directly related to Atlantic trade and to the slavery and plantations that underpinned it. We are not only concerned with the early decades of the ‘classic industrial revolution’ (c.1760-1830) but also with the long build-up of trade, structural and institutional change that occurred in the century following the Restoration of 1660. These changes and their inter-relationships provided a vital platform for the industrial and societal transformations that followed. At various points in the text and in different chapters we make comparisons with the impact of slavery and the Atlantic economy on other countries, ports and industries of mainland Europe, as well as upon Africa and the Caribbean, but our story and our analysis is centred on Britain. Britain gained a great deal from her involvement in both the slave trade and plantation agriculture. Contrary to the position of most current textbooks, we argue that this played a crucial role in the nature and timing of British industrialisation. It also created a fundamental shift in the regional basis of the industrialising economy in favour of the north and west of the country, including west-central Scotland, in the hinterlands of the major Atlantic trading ports. This regional shift has influenced the geographical distribution of income and wealth inequalities ever since. These regional inequalities have been underpinned by the financialization of the British economy during the last two centuries, with London at the centre, a process that was set in train by eighteenth century colonialism.

We compare and contrast the structure, nature and impact of Atlantic trade with trade between Britain and Asia, arguing that the former presents an early form of globalised multilateral trading and finance, centred on exchanges of raw materials and foodstuffs for mass manufactured consumer products. Much has been written about the impact of Asian manufactures in stimulating innovations in British manufacturing in the eighteenth century, but we have less idea about the impact on the economy of key ‘colonial groceries’ from the New World , especially sugar, and industrial raw materials: gum, from Senegal, cotton and indigo from the West Indies and Brazil. Equally vital is the stimulus provided by colonial and wider markets for manufactured goods in the Atlantic basin. This, together with the trade in enslaved peoples, provoked expansion and innovation in shipping and in a wide range of processes including the design of products destined not for Europe but for new variegated mass markets in Africa and the Americas.

Early British industrialisation was founded on the symbiosis between slavery and agribusiness abroad (particularly sugar cultivation) and industrial manufacture at home; and on technologies and innovations prompted largely by the Atlantic trading system based in enslaved peoples. Developments in production and consumption were supported and facilitated by financial innovations in credit, lending, means of multilateral payment and insurance that were provoked largely by British colonialism and trade with the Caribbean.

**Chapter 1. Slavery and the British Economy 1650-1800: how did it work and how did it change?**

We open our book with a summary chapter setting out and assessing the growth and extent of British involvement in the slave trade and in plantation cultivation, particularly in the Caribbean from the mid seventeenth to the early nineteenth century. We consider how the slave and plantation trades developed and how they were organised and financed over time. We follow the trade in manufactures, including Indian textiles, to Africa in exchange for enslaved peoples to take to the West Indies. Further trade between the North American Colonies and the Caribbean enabled this wider Atlantic world to provide a dynamic market for British manufactures. We argue that Britain benefitted disproportionately from slavery compared with her European rivals because her plantations were not only important in themselves, but were also the foundation of wider multilateral trading, finance and military activity in the whole Atlantic basin and beyond, stimulating the demand for new sorts of British manufactured goods. This was achieved through being able to access provisions from the Northern colonies; through specialisation in sugar cultivation and processing; and by maximising the gains from an aggressive mercantilism that kept British trade in British ships and protected the home market for sugar.

We dwell upon the extending tentacles of the slave-based Atlantic trading system, their effects on the economy of the metropole and the extent and chronology of their impact at different points during the eighteenth century. Much of this was underpinned by Britain’s uniquely large and rapidly escalating demand for sugar. The British also fed their taste for other tropical West Indian products, from tobacco and cacao to coffee, and added plantation crops of indigo and Sea Island cotton to the raw materials of their newly developing cotton industry.

**Chapter 2. Slavery and the British industrial revolution: identifying the connection**

In light of the picture we have painted in chapter 1, we here ask what happened to explanations of the industrial revolution over the last half of the twentieth century that so marginalised contributions arising from enslaved labour outside the British Isles? We find answers in a preoccupation with market-driven endogenous growth models and with measurements of growth and change that have restrictive parameters. These have discouraged economic historians from addressing the controversial issue of the degree to which industrial transformation in Britain depended upon racially-based coerced labour. Historians of the Great Divergence between Europe and Asia, especially Ken Pomeranz, did incorporate the impact of the slave-based Atlantic trading system into their causal analysis with their concept of the ‘ghost acreages’ made available to Britain. Together with the importance of offshore lands and resources, they emphasised the role of mercantilism, protectionism and the role of the state. But few historians of the industrial revolution pursued these issues. It remains the case that dominant accounts of the industrial revolution by prominent British and North American historians still contain scarcely a mention of slavery or the West Indies. We challenge these by making the case for a revolution in the historiography of causes and calibrations of the British Industrial Revolution; one that incorporates the central part played by slavery.

We survey early debates about the contribution of slavery to the British economy and to British industrialization. These include contemporary economic commentators such as Malachy Postlethwayt , writing in 1766, ‘We may from hence judge of the real advantages which this island [Jamaica] affords to Great-Britain… the real produce of all their labour, and of all their commerce, comes over here to Britain, and maintains and inriches the industrious part of our people’.[[4]](#endnote-4) Were their views misguided? We look at the classic account of Eric Williams, *Capitalism and Slavery* (1944), the context of his work in the 1940s and its reception in later decades. We consider the range of stimuli that he highlighted, and contrast this with the narrow focus of much of the response to his work. We examine the problematic assumptions, approaches and methods used in the past to assess the profitability of the slave trade, and plantations, and their contribution to the British economy. We consider more recent analyses of the economic implications of slavery that employ wider perspectives and a new appreciation of the systemic links between slavery and advancement across the British economy. We assess the role played by Caribbean slavery in the ‘financial revolution’, in the development of private as well as public financial institutions and practices, Imagined as well as real gains from slavery drove investment decisions and financial innovations, created and extended mercantile wealth and permeated many aspects of the economy, society and culture.

We do not subscribe to the mono causal and ultimately unprovable argument that slavery *per se* caused the industrial revolution. Instead we suggest i) that Britain gained disproportionately from her involvement in the slave trade and plantations compared with other European powers and ii) that a major stimulus of the *early* British industrial revolution was the growth of the wider Atlantic trading system, which slavery and the Caribbean trade underpinned.

**Chapter 3. Small Islands, big consumption: sugar’s global economy**

In this key chapter we consider the nature of early globalized trade between Britain and her colonies across the Atlantic and thence with the wider economies of the Americas. We concentrate upon the impact of imported Atlantic consumer goods, produced by coerced labour and enslaved peoples, on the British economy. Goods from the east, particularly manufactured goods such as patterned cotton textiles from India and porcelain from China are now recognized for the effect they had on British and European consumer cultures and technological innovation. Yet the trade in imported sugar alone was worth more than four times the whole trade with Asia by the 1770s. Sugar from the West Indies was imported into Britain on a scale greater than that of any other commodity across the whole period from the early eighteenth to the early nineteenth century. The sugar trade continued to boom right through the eighteenth century; its history should not be confined to the framework of an earlier commercial capitalism. It was fully a part of the industrial revolution.

An evaluation of the stimulus to the British economy provided by consumer goods from the west, especially sugar, molasses and rum, but also tobacco, rice, cacao and coffee, is long overdue. Many economic historians, when they consider eighteenth century Atlantic trade, look only at exports of manufactured goods. Certainly, these were important, as our later chapters explore, but equally so was the impact of imports of colonial groceries and raw materials on the early industrial development of Britain.

Here we engage fully with the insights of the histories of consumer culture that emerged in the 1990s. Colonial groceries, especially tobacco and sugar joined coffee and tea to become the key luxury goods to shift European consumer cultures. The West Indies were, of course, part of a wider colonial American source for these groceries, especially tobacco. Tobacco plantations in the Chesapeake developed on indentured, then enslaved labour, as well as in the West Indies, provided both a mass consumer market in Britain by the mid seventeenth century and a rapid expansion in re-exports to Europe in the eighteenth century. Its key impact in Britain was captured by Glasgow’s merchants and the wider Glasgow economy. Tobacco was the pioneer, but while British consumption of tobacco levelled off, that of the other great plantation crop, sugar, started its revolutionary growth from the early eighteenth century. Thus we concentrate in this chapter particularly on sugar and on the pioneering nature of wholesale sugar markets and sugar retailing. We include key by-products of sugar, notably molasses and rum, connecting rum to shifting cultures of alcoholic beverages in the period.

We look at the ways in which ‘colonial groceries’ impacted social life and social practices, diets, nutrition and drinking across a broad social spectrum of the population. If we turn to the ways sugar was consumed and who consumed it, paradoxically we know a great deal less than we do of its production, supply and distribution. Appearing early on in the medical pharmacopeia, its use spread as a spice and a preservative, and it became established as an additive to hot beverages by 1700. Rituals of social connection embedded sweetened tea and sweet condiments consumed in the material culture of the tea equipage, including sugar boxes and bowls and sugar nippers and tongs. For the poor a small quantity of tea and sugar provided the hot beverage that stimulated and energised what they drew from poor bland diets. How far down the social scale the dramatic increases in consumption from c. 7 lbs. per head in the early eighteenth century to over 23 lbs. per head by the 1770s extended is more difficult to establish. The historiography on diets and nutrition does not tell us a great deal about working class sugar consumption. Discussion focusses on caloric intakes and confines most foodstuffs to wheat, oats, barley and meat, though Carole Shammas has challenged that sugar comprised just over 11 per cent of diets of the labouring poor in the 1790s.

Colonial groceries created further demand for ancillary manufactured goods, part of the British product revolution of the eighteenth century. Equally, if not more significant was the impact of sugar processing on manufacturing. London became the leading centre for European sugar refining but we here investigate sugar manufactories across Britain’s cities and ports. We also examine the demand for metals, machinery, and especially copper from Britain in the highly capitalised and power-driven cane mills and sugar factories of the Caribbean.

Sugar consumption and marketing also played a hitherto little researched part in economic thought and policy. Mandeville, the great contemporary theorist of luxury and consumption at the beginning of the eighteenth century, made the sugar brokers his case study of the way speculation interconnected with sociability to set the price of this luxury commodity of long-distance trade.

**Chapter 4. Plantation knowledge and innovation**

Here we delve into the plantations as entirely new forms of labour exploitation, agribusiness, capital intensity and organisational capability. We look at the nature and structure of British plantations, organisational change over time, the degree of monoculture and the unique ways in which plantation economies combined plants, labour, capital, skills and knowledge from across the globe. We look at innovations in cultivation and rotations, and investigate the initial industrial processing of plantation commodities, particularly sugar, to prepare them for long distance transport. Here we dwell on innovations in the use of wind, water and steam power, use of the hydraulic ram and other innovations including specialised copper vessels for the production of crystallised sugar, molasses and rum. We consider the role of the colonial patent system as well as British patents, and further encouragement for innovation through prizes and subsidies provided by the island Assemblies and by the Society of Arts, Commerce and Manufactures. We include the remarkable story of Joshua Steele, founder of the Barbados Society of Arts.

Plantation innovation was furthermore not only about agriculture and processing technology, but about business practice. We consider innovations in the organisation of business and in accounting methods that were pioneered in the plantation setting. The large amount of fixed capital involved in a typical plantation complex was generally raised on mortgage and required amortization. This, together with the complexity of policing a large labour force across a range of different tasks and processes, demanded new forms of business structure and accountancy. Over the course of the eighteenth century, it also became more common for plantations to be left in the hands of managers and attorneys who were required to submit regular detailed records of production, transactions and profits to plantation owners back in Britain. A proliferation of instruction manuals directed at plantation record keeping and a growing standardization of plantation accounting made possible the separation of ownership from management, a separation that was unknown in British or European businesses until a century later. Similarly, complex supervisory hierarchies in British West Indian plantations presaged the multidivisional business organisations, not found in Europe or the USA before the late nineteenth century.

**Chapter 5. Ports and their hinterlands: structural and regional transformation**

The weakness of most analyses of the causes of the Industrial Revolution is that they focus on the national level instead of looking at stimuli for growth in particular regions and innovative sectors, which in turn supported wider economic change. When we turn to examine Britain’s foremost industrialising regions, we clearly see how important was access to Atlantic trade, and to the capital and credit that is generated. We draw on the recent findings of the Cambridge Group for the Study of Population. Their new occupational data demonstrates the early onset of the geographical concentration of industry. [[5]](#endnote-5) We look to the hinterlands of the major Atlantic ports, and find a close association between transformative economic activity, occupational change and population growth. What impact did the demands of the plantations and wider Atlantic markets have on these areas? Atlantic markets for manufactured goods joined the industrial processing of imported foodstuffs and raw material imports to deeply impact the paths of regional industrial innovation and economic growth.

Recent research on national GDP growth and productivity change, that incorporates the new occupational data, demonstrates early transformation in the balance of the economy in favour of trade and industry and greater discontinuities in industrial productivity growth in the eighteenth century, than was previously thought.[[6]](#endnote-6) What were the sources of these national shifts? We explore the dynamics of the Atlantic port regions and the industrial agglomerations that drove structural change. London, often neglected in histories of the industrial revolution, forms a key part of our story, but we also investigate the pivotal parts played by Bristol, Liverpool, Glasgow and less prominent but important ports such as Lancaster and Whitehaven. We argue that key to the great success of Liverpool and Glasgow in the later eighteenth century was the symbiosis of Atlantic trade and extensive industrial and manufacturing hinterlands: the West Midlands, Lancashire, Yorkshire and lowland Scotland.

The key manufacturing regions of the industrial revolution relied on access to Atlantic port cities and their wider urban and commercial settings. Priority went early to developing or improving canal, river and coastal transport infrastructures so that wider-world trade during crucial decades of the eighteenth century was conducted not only from London, but increasingly directly from the provinces. Bristol, Liverpool and Glasgow, especially, developed commodity processing and markets for imported raw materials; their merchants engaged in and expanded the slave trade between West Africa, the Caribbean and the Americas, and their businessmen, merchants and banks, aided by their London connections, financed new inland trade in raw materials and manufactures.

**Chapter 6. Iron and copper revolutions: metals, hardware and mining**

A major part of Britain’s industrial revolution was based, even from an early stage, on heavy, capital intensive, industry. Substantial innovatory investment went into mining, iron and copper smelting by merchants and banks based in London and Bristol. They financed investment in the South Wales coalfield, in Cornish copper mines, in copper refining in the Swansea Valley, in iron refining in South Wales and the West Midlands, and in coal mining in the North East for the London market. The Swansea Valley and other parts of the South Wales coalfield became the earliest regional sites of industrialization, of industrialised, centralised workforces and of wage dependent societies. Their transformation was intimately linked with plantation and slave trade profits and with the demands of Atlantic trade and shipping.

The demands of Cornish copper mines for pumping engines provided markets, investment and R&D for the development of the steam engine, as did the expansion of coalmining in the North East for London’s domestic and industrial uses. Atlantic demand for all manner of hardware, metal goods and guns is well-known. Ralph Davis in the early 1960s wrote that ‘the process of industrialization in England from the second quarter of the eighteenth century [was] to an important extent a response to colonial demands for nails, axes, firearms, buckets, coaches, clocks, saddles, handkerchiefs, buttons, cordage and a thousand other things.’[[7]](#endnote-7) This is largely forgotten by our current economic historians. Here we assemble extensive evidence from diverse sources, including recent findings from customs records. We attempt, where possible, to disaggregate the Atlantic world markets for these goods, identifying West Indian and African markets separately from North American colonial markets, though also emphasising the close connections and interdependencies between them. We draw on recent evidence for the copper industry, a relatively small sector of the whole economy but an instructive case of an industry that owed its early-modern resurgence and innovatory expansion to the colonial trades. Investigating the part played by copper goods in wider-world markets takes us into a history of coppersmiths and sugar refiners all over Britain as well as the markets for copper sugar pans and vessels for processing sugar and rum in the Caribbean. A surge in the industry occurred from the 1760s when copper became vital to the advancement of British shipping efficiency in the tropical waters of West Africa and the Caribbean, as well as in the territories of the East India Company, with the rapid adoption of copper bottoming of both the merchant and royal navy fleets. Copper’s development, innovation and deep embeddedness in African and West Indian trade provides a clear example of a close integration of slavery and industry at many levels.

**Chapter 7. Textile revolutions: cotton, wool and linen**

Caribbean markets stimulated key parts of the woollen and linen industries. Woollens and coarse linens clothed the rapidly expanding enslaved labour force and provided a range of better-quality textiles for wider settler markets. We investigate regions of manufacture dedicated to plantation demand in mid Wales, the Lake District, west Yorkshire and Scotland. We also look at the expansion of the sail cloth industry in the West Country but especially in Warrington, Prescot and Kirkham where it flourished as a response to sailcloth demands for the Atlantic trade and the royal navy. Merchant exporters engaged in the plantation trade extended vital credit for the developing putting out systems of Britain’s eighteenth-century textile industries, especially in south Lancashire, Yorkshire and Scotland.

The newly developing cotton industry played its part alongside woollens and linen in a major shift over the course of the eighteenth century away from older centres of textile manufacture in the West country and East Anglia to concentrate in South Lancashire (linen/cotton mixes), West Yorkshire (woollens and worsteds) and Scotland (linen and cotton). Atlantic-world demand, including the demand for textiles on the West African coast, led this industrial growth and relocation whilst stimulating the new technologies and new textile products that we have come to associate with the industrial revolution. We recast the story of cotton’s great inventions, the spinning jenny, the water frame and the mule in light of Britain’s unique early use and ready supply of longer stapled, fine Sea Island cotton from the Caribbean and Brazil. We consider the impact of this raw material supply upon the organisation as well as the technology of the industry. The impact of other raw materials, emerging largely or wholly from the Atlantic trades, that helped to revolutionise the textile industries is also considered. These include logwood, indigo, Senegalese gum and Iberian wool. We include some case studies of the history of firms, their markets, their location, their finance and their innovations. We make the further case for close connections between slavery, plantation profits and Atlantic demand and supply, in any analysis of the very rapid and innovative industrialization of both Northern England and Scotland, much of it driven by the textile industries.

**Chapter 8. Financial capitalism**

The slave and plantation trades of the eighteenth century provided a formative structure to the long-term pattern of international financialization of the British economy. The expectation of profits from the trade in enslaved peoples and from the cultivation and importation of plantation products, particularly sugar, underpinned many aspects of the early eighteenth- century evolution of the National Debt, the Bank of England and the trade in government stock. The heavy fixed capital requirements of plantation operations led to innovation and expansion in the mortgage market and in the transfer trade in mortgage debt. The multilateral payments systems of the Atlantic trading networks stimulated an innovative extension of trade using international bills of exchange that not only facilitated long-distance and multiplex financial transfers, but also oiled the wheels of credit and payments systems in the industrialising hinterlands of Atlantic port cities. The discount business in trade bills stimulated the rapid growth of provincial banking in the industrialising regions that had important spill over effects. The resources of the London money market, in the form of West India Houses and their Caribbean agents, operated a ‘guarantee system’ that underpinned the businesses of slave- and Atlantic-traders in London, Bristol, Liverpool and other British ports. This was an expansive and unstable financial system but it managed to fare better in the extreme speculative crises of the early 1770s than the Dutch system. Financial failure in the 1770s removed the Dutch as major players in the Caribbean slave trade and sugar islands. The British financial system involved a major role for discount houses and merchant banks in London and for the discount business of provincial banks, with their London correspondents who linked areas of capital surplus with areas of capital need. Prometheus was unshackled by these developments but the British system of West Indian trade credit, payments and investment finance was sufficiently unstable by the 1790s and 1800s to involve the Bank of England in early activities as lender of last resort, which had important implications for the future stability of the British economy. The public and private finance of colonial expansion and trade in the eighteenth century, together with the allied growth of marine insurance institutions and practices set London up to emerge as the major global financial centre in the century that followed.

Debates about the financial impact of slavery on industrialisation have hitherto been largely confined to the extent to which capital generated from profits of the slave trade and plantations, both fairly narrowly defined, flowed into industrial infrastructure in the metropole.[[8]](#footnote-1) However, fixed capital requirements in industry before the 1830s and 40s were generally modest especially in the consumer goods industries. Circulating capital and credit employed in manufacturing was often three or four times greater than fixed asset requirements in the eighteenth century rising to eight or nine times in the Napoleonic war period. The focus in assessing the economic impact of slavery thus needs to be as much on its role in suppling credit as longer term capital finance. Just as calculation of the value added in the long supply chain of Caribbean sugar has highlighted a more inclusive way of considering the economic impact of global trading, so also must we factor in the commissions and rentier incomes earned at each stage of the increasingly complex financial interactions that characterised Britain’s Atlantic trading. What became of the money acquired from speculation on Atlantic commodities, and of interest and commissions earned from the circulation and lending of money and from credit extension? Moreover, it is problematic to dismiss the economic importance of the slave trade or plantations based upon static calculations of the ratio of their profits to national income. More important is the way in which they contributed to dynamic and innovative development in the institutions and practices of the tertiary, as well as the secondary, sector.

Britain’s ‘financial revolution’ of the eighteenth century has mostly been conceived and researched as the growth and development of public finance but widespread innovation was also a feature of private finance and the two were linked not least through that great source of investment potential represented by the slave/sugar nexus of the Caribbean.

**Chapter 9. Britain’s industrial revolution and the new history of capitalism**

New historical literatures have appeared recently in the United States under the rubric of ‘new histories of capitalism’. These re-examine the close links between slavery in the Southern U.S. and the nature and evolution of industrial capitalism in North America following the War of Independence and through to the Civil War and beyond. They aspire to explain not only modern economic growth in the U.S., but in the Western world more generally, including Britain. They demand recognition for the part played by enslaved peoples in the making of the modern global economy. What does our history of Britain and her West Indian isles contribute to this wider ‘new history of capitalism’?

The impact on Britain of Caribbean slavery in the eighteenth century is only a side show in the American literature. Most new histories of capitalism focus on the socio-economic impact of raw cotton production in the nineteenth century rather than on the developments set in train, primarily by sugar, from the later seventeenth century and throughout the eighteenth century. Sven Beckert’s *Empire of Cotton*, where it considers British industrialization, concentrates upon the period from the 1790s and fails to appreciate how supplies of slave-grown Caribbean and Brazilian fine raw cotton were centrally important to both product and process innovation in northern England from as early as the 1730s. Over the century before cotton from the Southern States became the mainstay of the British cotton industry, Caribbean cotton, sugar and other plantation ‘groceries’ and raw materials were firmly shaping the industrialization of Great Britain. This chapter both critically assesses the importance of the ‘new histories of capitalism’ for our understanding of the British industrial revolution, and adds complementary evidence from our different chronological and geographic perspective.

‘New histories of capitalism’ challenge historians to reconnect subject areas they have previously separated, from consumption and finance to property rights and forms of labour. Our chapter will draw on specific examples of these connections elaborated in earlier chapters to demonstrate the dynamics of capitalist development in the making of the first industrial revolution. These histories, furthermore, challenge us to take up long-neglected areas of global history. Pomeranz posed that ‘the great divergence’ in favour of Europe was caused by ‘coal and colonies’, we now need to consider those colonies. Coal, energy, and the cultural environment have long been given so much weight in explaining ‘why the west got rich’ that they have become a way of disassociating that success from state policies and colonialism. These brought the African continent and a group of small islands in the West Indies into a dynamic of capitalist development that proved crucial to the making of Britain’s industrial revolution.

**Chapter 10. Legacies of race and inequality**

The Black Lives Matter protests have urged us to ‘follow the money’. Where did the money from Edward Colston’s philanthropy come from? What were the longer-term ramifications of fortunes made by men such as Colston, of investments made by those such as Touchet (who was later bankrupt), and of the exploitation of enslaved workers such as Flora? The Legacies of British Slave Ownership database has revealed how widespread across the country and across the social spectrum were the gains claimed from British slave ownership in 1833, but we have much yet to learn not just about earlier slavery involvement, and the systemic part played by slavery in the eighteenth-century British economy, but also about the legacies of slavery that remain with us today.

Inequality in today’s Britain and Europe has deep historical roots. Despite the substantial economic growth arising from globalization, inequalities of wealth and income have increased since the 1970s. Inequality is no more apparent than in the great divide between London and its ‘home counties’ and Britain’s former industrial regions that were created in the time of slavery, but which have subsequently experienced de-industrialisation. Overlain with this is a deep racial inequality with its roots in slavery and the ideas and beliefs surrounding colonial conquest and exploitation in the nineteenth and early twentieth centuries as well as the eighteenth. The post war and postcolonial migration of a black and Asian minority labour force from the West Indies, West and East Africa, India and Pakistan to work in the factories, infrastructures and hospitals of Britain’s ‘years of miracle’ from the 1950s to the 1980s, further ties contemporary race-based inequality and social instability to the legacies of colonialism and coerced labour.

The links between contemporary race-based inequalities in the UK and historic slavery (as well as in the US, France, and elsewhere) take many forms. In direct terms, the debts taken on by the British state to pay the £20M compensation monies to slave holders were only finally repaid (through the regressive taxation system) in 2015. Similar heavy slave-ownership reparations made by the Government of Haiti to the French (and subsequently to US finance houses that bought the debt) have impoverished the country to this day. Colonialism and slavery in the West Indies initiated a pattern of the use of racially based coerced labour to extract lucrative primary products across many other parts of the British Empire in the following century and created the commercial, financial and cultural infrastructure to make this possible. In the 1950s and 1960s some of those same Caribbean Islands became tax havens, set up to absorb British capital fleeing the Empire at the time of decolonisation. These tax havens contributed to changes in the instruments of British overseas investment that have weakened the position of borrowers. They also mask domestic wealth inequalities and restrict taxation and redistributive efforts.

The legacies of a labour force, enslaved under British control from the seventeenth century until the 1830s (and beyond this outside of the formal empire) continue with us today, entrenched in our economy and social and cultural institutions. It is time to bring the systemic connections between economic growth and enslaved labour out from the shadows. The contributions to industrialization of our enslaved ancestors working on off-shore plantations as well as the women and children of our textile factories must be fully acknowledged alongside those ‘great men of the North’ who continue to form such a central part of British national identity.

**Other books in the field**

There are of course some classic and important accounts of the nature of, and links between, Caribbean slave plantations and economic and social change in Europe. We draw upon these in the present volume but they cannot be considered competitors for a new publication because they are detailed monographs and they date back almost half a century missing the range of new research and approaches that have appeared since. Eric Williams’ *Capitalism and Slavery* (1944) is a modern classic, and a new third edition has just been published. Richard Sheridan’s *Sugar and Slavery: an Economic History of the British West Indies 1623-*1775 (Kingston, Jamaica, 1974) and Sidney Mintz’s *Sweetness and Power: the Place of Sugar in Modern History* (New York, 1985) are giants in the field and have inspired the present volume.

By contrast, there are few books published in recent years that directly address slavery and industrialization. Perhaps the most widely cited recent book on the industrial revolution is Robert Allen’s, *The Industrial Revolution in Global Perspective* (CUP, 2009). The slave trade is mentioned on two pages in relation to the trade in cotton textiles. Allen’s two Oxford Very Short Introductions, one on the *Industrial Revolution* and the other on *Global Economic History* likewise marginalise slavery; in the latter case it is treated as a problem of African economic history. The much deeper and longer recent work on the industrial revolution, Joel Mokyr’s *The Enlightened Economy* (Yale, 2009) devotes a succinct page in a 550 page book to rejecting any case for connections between slavery and the industrial revolution. E. A. Wrigley’s*, The Path to Sustained Growth: England’s transition from an organic economy to an industrial revolution* (CUP, 2016) and his *Energy and the English Industrial Revolution* (CUP, 2010) focus entirely on energy and coal. Stephen Broadberry, Bruce M. S. Campbell, Alexander Klein, Mark Overton, Bas Van Leeuwen, *British Economic Growth 1270-1870* (CUP, 2015) does not mention slavery in its 450 pages; sugar appears on five of these pages. Martin Daunton’s earlier *Progress and Poverty. An Economic and Social History of Britain 1700-1850* (OUP, 1995) mentions the slave trade on three pages and abolition on another in a book of over 600 pages.

Notable exceptions are William Ashworth’s *The Industrial Revolution. The State, Knowledge and Global Trade* (Bloomsbury, 2017) which includes significant discussion of slavery, but the book is largely about state protection and regulatory practices. There is also Nuala Zahedieh’s *The Capital and the Colonies: London and the Atlantic Economy 1660-1700* (CUP, 2010), but this is about the seventeenth century, and confines its treatment to the impact on London. Thanks to the work of Tom Devine writing on aspects of the subject since the 1970s and other Scottish historians more recently, the links between industrialization in Scotland and the Caribbean trades are fairly well documented: see for example T. M. Devine ed., *Recovering Scotland’s Slavery Past* (EUP 2015) and Douglas J. Hamilton, *Scotland, the Caribbean and the Atlantic World, 1750-1820* (MUP 2005). Wales has also been the subject of recent research by Chris Evans in *Slave Wales. The Welsh and Atlantic Slavery 1660-1850* (UoWP 2010). Good studies also exist on the slave trade and its impact in specific ports, Liverpool and Bristol in particular, but there has been no attempt to integrate these studies into a wider British account. Joseph Inikori’s well-known *Africans the Industrial Revolution in England* (CUP 2002) covers many topics that we consider here but his interpretation and his data demand further evaluation in the light of recent research, and his detailed monograph does not provide the type of short scholarly synthesis we intend. There are several edited volumes on slavery and the Atlantic economies, such as Barbara Solow’s *Slavery and the rise of the Atlantic System* (CUP, 1991), but these are compilations of early research articles, very few of which directly address the impact of slavery on British industrialization. Two recent compilations include one or two studies of direct relevance to our subject matter: Colin Palmer ed. *The Legacy of Eric Williams* (University of West Indies Press 2015) and Catherine Hall, Nicholas Draper and Keith McClelland eds., *Emancipation and the Remaking of the British Imperial World* (MUP, 2014), which contains an article by Hudson. Ken Morgan’s *Slavery, Atlantic Trade and the British Economy* (London, 2000) is a good short teaching book on the subject as it stood twenty years ago, but it is closely connected with the restricted debates of the 1980s and 1990s on the profitability of slavery.

Books arising out of the ‘new history of capitalism’ are the latest to consider the connections between slavery and industrialization, but most of these are focussed on the U.S.A. Sven Beckert in his *Empire of Cotton. A Global History* (Vintage, 2014) does devote 100 of its 600 pages to Britain and the Atlantic world, but he confines himself to the history of cotton. Giorgio Riello’s *Cotton: the Fabric that made the Modern World* (CUP, 2013) provides a wider early modern context for the rise of the cotton-slave nexus, but this book too is focussed on one commodity. Sven Beckert and Christine Desan’s edited volume *American Capitalism: New Histories* (Columbia University Press, 2018) focusses entirely on the U.S. Caitlin Rosenthal’s, *Accounting for Slavery. Master and Management* (Harvard University Press, 2018) provides a new analysis of accountancy and management systems in both the Caribbean and the southern colonies and states of America between the later eighteenth century and the American Civil War. We draw on her findings for our chapter on Plantation Innovation, but again, much of the book focusses on America.

1. See for example: Malachy Postlethwayt, *The Africa Trade the Great Pillar and Support of the British Plantation Trade in America* (London, 1745), pp. 4, 6; Also see Malachy Postlethwayt, Jacques Savary des Brûlons, and Philémon-Louis Savary *The Universal Dictionary of Trade and Commerce….Everything that is essential that is contained in Savary’s Dictionary: also all the Material Laws of Trade and Navigation* 2 vols. (London, 1766); Joshua Gee, *The Trade and Navigation of Great Britain Considered* (London, 1729) [↑](#endnote-ref-1)
2. Legacies of British Slave Ownership: [*https://www.ucl.ac.uk/lbs/*](https://www.ucl.ac.uk/lbs/)See also Catherine Hall, Nicholas Draper and Keith McClelland, Katie Donnington, Rachel Lang, *Legacies of British Slave Ownership: Colonial slavery and the formation of Victorian Britain* (CUP 2014). <https://www.slavevoyages.org/voyage/database> [↑](#endnote-ref-2)
3. Cambridge Group for the History of Population and Social Structure , Occupational datasets: <https://www.campop.geog.cam.ac.uk/research/occupations/datasets/catalogues/occupationspopulation/> [↑](#endnote-ref-3)
4. Postlethwayt, Savary des Brûlons, and Savary *The Universal Dictionary* vol 2, 806 [↑](#endnote-ref-4)
5. <https://www.campop.geog.cam.ac.uk/research/occupations/datasets/catalogues/occupationspopulation/> [↑](#endnote-ref-5)
6. S. Broadberry, B. M. S. Campbell, A. Klein, M. Overton and B. Van Leeuwen*, British Economic Growth, 1270-1870* (CUP 2015); N. Crafts, Understanding productivity growth in the industrial revolution’ *Economic History Review* 2021, 1-30 (online early) [↑](#endnote-ref-6)
7. Ralph Davis, ‘English Foreign Trade, 1700-1774’, *Economic History Review*, 2nds Series, 15 (1962-3), pp. 285-303. [↑](#endnote-ref-7)
8. Following the lead of Eric Williams, neither his critics not his detractors have extended their gaze much beyond slavery’s role in contributing to fixed capital. [↑](#footnote-ref-1)