From the moment that plantation-slavery came under widespread challenge in Europe and the Americas in the late eighteenth century, its economic impact has been hotly debated. Both critics and defenders linked the political and moral aspects of slavery with its social and economic effects on the plantation-regions of the Americas and the world-market. Critics of slavery condemned bonded-labour as immoral and economically inefficient, limiting economic growth in the Caribbean, the southern US and in the emerging centres of industrial production in Britain and western Europe. Defenders of slavery presented it as a beneficial political and cultural institution that had made New-World slave-owners and European merchants and manufacturers wealthy.¹

The debate on the economic effects of plantation-slavery continued over the next two centuries. Currently, there is some consensus about the role of New-World plantation-slavery in creating the world-market that was one precondition of the British industrial revolution. While historians still disagree about the impact of industrialisation on the trajectory of the slave-economies in the nineteenth century,

¹ Davis 1966; Davis 1975.
there is little disagreement that the ‘triangular trade’ linking together Africa, the New-World plantation-zone and Britain was a central motor of the ‘Atlantic economy’. The markets created by the African slave-trade and the plantation-economies for British manufactured goods as diverse as iron, textiles, glass, and china were important stimuli for the growth of industrial capitalism in Britain.2

Current scholarly controversy centres on plantation-slavery’s impact on economic development in the regions where it was the dominant form of social labour. Focussing primarily on the southern US, historians and social scientists have debated whether slavery was a stimulus or an impediment to technical innovation in agriculture, to the deepening of the social division of labour (‘home-market’), and to the growth of industry.

Scholarly discussion of plantation-slavery and economic development has produced two broad interpretive models. The advocates of what can be called the ‘planter-capitalism’ thesis,3 whose most articulate spokespersons are Robert Fogel and Stanley Engerman,4 argue that, despite the unfree legal status of slave-labourers, plantation-slavery was a variant of capitalism. The planters’ ability to organise their slave-labourers in a centralised labour-process allowed the planters to maximise profits in the production of staple-crops, sugar, tobacco, cotton, etc.) for a competitive world-market. According to the ‘planter-capitalism’ model, plantation-slavery was highly efficient, productive and profitable, and allowed rapid economic growth in the regions where it was dominant. The relative absence of industrial and urban development in the southern US and the Caribbean was simply the result of these regions’ ‘comparative advantages’ in agricultural production.

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4 Fogel and Engerman 1974.