

Kyle Hollier

History Q3: Did the Industrial Revolution in Britain occur because of transatlantic slavery?

The suggested causes of the Industrial Revolution are numerous, with postulations ranging from a religious shift towards tolerance of profit-chasing firms, to a British culture that encouraged enterprise and innovation. Fundamentally, the Industrial Revolution led to ‘that vast increase of natural resources, labour, capital and enterprise’, the four factors of production in an economy¹. Transatlantic slavery had a limited, bifurcated impact, as it developed the colonial economies in the Americas, providing Britain with more raw materials for it to manufacture, as well as the trade itself, bringing enormous wealth to Britain, wealth which drove the domestic demand for manufactured goods, and provided the initial capital required to build these factories. The Transatlantic slave trade, through its twofold impact on the British economy, sits broadly within both the long-term and immediate causes of the Industrial Revolution, yet its influence was limited in both these fields. It was not singularly decisive, as the scope of its impact was amplified by the favourable economic conditions Britain enjoyed in the 18th century, and as such it sits as a minor contribution. The list of factors leading to the Industrial Revolution is so extensive that, for the purposes of this work, they have been split into prerequisites, which are factors contributing to a suitable economic environment for industrial growth, long-term factors, and immediate factors that eventually triggered the Industrial Revolution and were compounded by it.

Regarding the prerequisites for the Industrial Revolution, they will be defined as the necessary factors of the British socio-economic environment that permitted the Industrial Revolution’s occurrence in the first instance, with the assumption that without such circumstances, the Industrial Revolution would not have taken place at all or on the same scale.

¹ 2 T. S. Ashton, ‘Some Statistics of the Industrial Rev’ Manchester School, xvi (1948), 215.

These prerequisites involved the religious shift away from the orthodox Christian view that profit-hunting was sinful, and towards a tolerance of profit-seeking enterprises.² The traditional Christian view that profit-seeking firms were sinful inherently limited any kind of Industrial Revolution, since the Industrial Revolution was driven by major extensions in both supply and demand, and this conservative view of economics dampened the British appetite for innovation or industrial growth. As such, the gradual tolerance of profit and enterprise was a highly significant prerequisite to the Industrial Revolution, as it brought about the nationwide tolerance of materialism and individualism that the Industrial Revolution required.³ It has further been argued that the growth of Protestantism and its greater accommodation for capitalist materialism were key drivers of the Industrial Revolution, as they gave rise to a generation of entrepreneurs who strove to innovate in the name of self-serving profit, an approach that was vindicated by the changing attitudes of Protestantism and prominent religious minorities such as Methodism.

Technological innovation also served as a key precondition. The printing press and associated developments in information distribution allowed later inventions to be taken up and diffused nationwide, enabling collaborative innovation across Britain's industries. Moreover, Britain's social and political position was decidedly favourable to the Industrial Revolution, as the relative stability of its governments, its post-1707 internal unity, the limited danger posed by invasion, and the adoption of laissez-faire economics in the 17th century⁴ all promoted capitalism and industry, as the lack of government interference allowed fledgling industries to grow and encouraged entrepreneurship.

The Industrial Revolution has also been ascribed to the favourable natural resources Britain had access to, as its abundant supplies of coal, iron ore, limestone and timber enabled it to domestically source these key materials.⁵ This abundance of resources gave industrialists

² Hartwell, R. M. "The Causes of the Industrial Revolution: An Essay in Methodology." *The Economic History Review* 18, no. 1 (1965): 177. <https://doi.org/10.2307/2591880>.

³ A. Fishlow, 'Empty Economic Stages', *The Economic Journal*, LXXV (March 1965), p123

⁴ W. Cunningham, *The Growth of English Industry and Commerce in Modern Times*, vol. III, *Laissez-faire* (Cambridge, 1882)

⁵ McCORD, CAREY P. "The Industrial Revolution in England." *Journal of Occupational Medicine* 8, no. 3 (1966): 101-7. <http://www.jstor.org/stable/45003961>.p103.

confidence in their supply chains, as opposed to their tentative trust of international shipping, promoting the creation and investment in factories, since owners could be assured of the raw materials needed for their investments to pay off. In comparison to the slave trade, these prerequisites provided lasting support for the Industrial Revolution, as opposed to its limited initial impact. They provided the environment in which the influx of capital through the slave trade could be converted into industrial growth, and were clearly more significant than it since many civilisations, such as the Romans, Muslim caliphates, the Dutch and the Spanish, had all been incredibly wealthy, yet no such industrial revolution had occurred, showing the significance of these prerequisites. Overall, these prerequisites clearly laid the groundwork for the Industrial Revolution, yet they do not explain how it occurred beyond facilitating it.

In the long term, the expansion of demand for British goods, a necessary precursor to industrial growth, was the most significant cause of the Industrial Revolution, since mass-produced goods must have a market to be sold. This growth in demand can be seen internationally; the share of overseas trade in British GNP rose from roughly 10-12% in the mid-eighteenth century to 18% by 1800, while manufactured goods consistently made up 75-90% of all British exports across this period,⁶ allowing industries that relied on foreign trade to outstrip domestic market-focused industries.⁷ These figures suggest international trade was the most significant cause of the Industrial Revolution, as it was seemingly responsible for the growth in demand and the growth in manufacturing industries associated with the Industrial Revolution.

As a constituent of international trade, the slave trade would have seemingly been a significant factor in the Industrial Revolution, as the triangular trade revolved around British manufactured exports being taken to Africa, providing a market for these industrial goods. Moreover, the wealth brought back to Britain by the slave trade would have increased the size of the domestic market, since merchants would spend their wealth on consumer goods. As argued by Eric Williams, and supported by Joseph Inikori, this process was exacerbated by shifts in society, as wealthier merchants put more money back into factories and the economy, rather than on country homes, contributing to the expansion in supply and mass

⁶ B. Schumpeter, *English Overseas Trade Statistics 1697-1808* (Oxford, 1960), p. 12

⁷ P. Deane and W. A. Cole, *British Economic Growth, 1688-1959* p. 9

industrialisation of the economy.^{8 9} Moreover, the significance of the slave trade was not limited by its abolition in 1807, as it had already brought immense wealth to the UK and provided the financial kick-starter for capital goods acquisition, which became the process of industrialisation.

However, the significance of the slave trade was limited as the colonial markets, particularly during wartime, were much weaker than European and domestic markets. The American War of Independence saw a deceleration in international trade as Britain briefly lost the American colonies as a market, yet this was precisely the time when the Industrial Revolution was in full swing, a process that was unaffected by this international fall in demand. This clearly suggests that the colonial markets were not fundamental to the Industrial Revolution.

Moreover, whilst it is clear that the slave trade provided much of the initial funding for the Industrial Revolution, the continued progress of it without the slave trade suggests that it was not intrinsic to its success. Moreover, the simple presence of wealth in a society does not directly lead to capital goods spending and industrialisation, seen in the Dutch Republic of the 17th century as, despite its immense wealth and bourgeois society, there was no significant investment in industrialisation and no Industrial Revolution, suggesting that the mere existence of capital is not enough, there must be in parallel the cultural tolerance and desire to spend it on making further profits, for the rich to invest in capital as opposed to consumer goods. As such, although the slave trade aided in capital accumulation to afford industrial machines, it was not a persistent driver of the Industrial Revolution.

Far more important in increasing demand were the Continental and domestic markets, since these represented more than 200 million consumers.¹⁰ England's cotton and metal industries, possessing such a comparative advantage in both their quality and quantity through industrialisation, found significant demand in both European and domestic markets.¹¹ However, this clearly was not a kick-starter for Industrialisation, as Britain could only possess such a comparative advantage once the Industrial Revolution had already begun, these advantages being fruits of that process. As such, although these foreign markets explain

⁸ Williams, Eric. *Capitalism and Slavery*. University of North Carolina Press, 1994.
http://www.jstor.org/stable/10.5149/9781469619491_williams.

⁹ Inikori, J.E. (2002) *Africans and the Industrial Revolution in England: A Study in International Trade and Economic Development*. Cambridge: Cambridge University Press.

¹⁰ R. Davis, 'English Foreign Trade, 1700-1774', *Economic History Review*, 2nd ser., XV, 2 (1962), p. 91

¹¹ R. Davis, 'English Foreign Trade, 1700-1774', *Economic History Review*, 2nd ser., XV, 2 (1962), p. 93

how the Industrial Revolution was cyclical in its growth, a virtuous cycle of production and profit, they do not explain the root cause of the Industrial Revolution.

Similarly important in the long-run accumulation of capital to fund industrialisation was the availability of credit at a cheap rate in Britain, aided by the establishment of the Bank of England in 1694. This led to a standardisation of credit that brought interest rates down to 3-4%, which made credit far more available for aspiring entrepreneurs looking to buy into industrialisation.¹² This availability of loans was fundamental to bringing about a nationwide industrial revolution and somewhat limits the importance of accumulating capital through the slave trade or otherwise, since these merchants represented a small proportion of entrepreneurs; only around 1/8th of total capital accumulation was through the slave trade.¹³

¹⁴ Rather, these loans enabled middle-class entrepreneurs to invest in large-scale factories and permitted far greater spending on industrialisation than Britain could have ordinarily afforded.

In the long run, population growth can clearly be seen as a significant driver of the Industrial Revolution, as it both increases the size of the domestic market, grows the workforce, and provides the potential for greater future output. However, population growth could be seen as a result of the Industrial Revolution, rather than a cause for it. That significant population growth occurred in the 18th and 19th centuries is undoubted, from 5.8 to 8.9 million in the 18th and up to 18 million by 1850¹⁵, yet whilst economic growth is invariably accompanied by population growth, with agriculture becoming more productive, allowing more people to survive, the inverse is not strictly true, rebuking the assertion that population growth strictly caused the Industrial Revolution.¹⁶ More likely, as with foreign markets, population growth likely contributed to the cyclicity of the Industrial Revolution, as opposed to starting it.

¹² Douglass North and Barry Weingast, "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England," *Journal of Economic History* 49, no. 4 (1989): 803–832.

¹³ Barbara L. Solow, "Capitalism and Slavery in the Exceedingly Long Run," *Journal of Interdisciplinary History* 17, no. 4 (1987): 711–737.

¹⁴ Patrick K. O'Brien and Stanley L. Engerman, "Exports and the Growth of the British Economy from the Glorious Revolution to the Peace of Amiens," in *Slavery and the Rise of the Atlantic System*, ed. Barbara L. Solow (Cambridge: Cambridge University Press, 1991), 177–209.

¹⁵ Edward Anthony Wrigley and Roger Schofield, *The Population History of England 1541–1871: A Reconstruction* (London: Edward Arnold, 1981).

¹⁶ P. Mantoux, *The Industrial Revolution in the Eighteenth Century* (English translation of the French original of 1906, London, 1928).

In the short run, the Industrial Revolution could be traced to the string of significant inventions in the buildup to it. These covered swathes of the economy, with advances in manufacturing, agriculture, transport and power production. A cluster of inventions in the 1770s-1790s, including the boring mill, the improved steam engine, the mule, the power loom, the threshing machine and the lathe, cumulatively caused aggregate output to rise rapidly. This population growth increased economic output, aided by the parallel advances in manufacturing through coke-smelting, iron puddling and the steam engine. These rapidly increased the productivity of labour, increasing output in both agricultural and industrial sectors. This had a cyclical effect, as improved agriculture provided, through population growth, a long-term extension in the supply of labour, allowing Britain to consistently improve its output. Moreover, the advantages enjoyed by this increased productivity of labour through automation made British goods both cheaper and higher quality than its competitors, a bifurcated comparative advantage that allowed them to enter global markets. It is clear that these inventions, as opposed to a sudden influx of slave-trade money, were the immediate trigger for the Industrial Revolution.

In conclusion, the causes of the Industrial Revolution are inherently cyclical, with individual factors difficult to isolate. However, it is clear that the expansion of demand, in both domestic and international markets, was the most significant factor in the Industrial Revolution, as many of the inventions and capital investment were opportunistic in response to this increasing demand. The innovative technology of the 18th century to expand supply was reactionary to the growing markets consumer goods could be sold to, as merchants and entrepreneurs became aware of the opportunities globalisation and domestic population growth opened up. As such, although supply-side factors were significant in bringing about the Industrial Revolution, and the British socio-economic environment greatly enhanced its transformative nature, it was fundamentally derived from increasing access to global markets and growing domestic demand for consumer goods, suggesting that the initial influx of capital from the transatlantic slave trade was not particularly significant beyond providing some of the initial capital for industrialisation. Even within capital accumulation, the

availability of credit opened industrialisation up to a broader demographic, minimising the significance of the slave-trade profits.