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THE POLITICAL ECONOMY OF INDIAN INDENTURED LABOR IN THE NINETEENTH CENTURY

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AND
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Abolition of slavery in British colonies led to the facilitation of Indian indentured migration by the British government. This form of migration came about when the discourse of economic freedom and individual liberty strongly resonated in British political economy circles, following the work of Adam Smith and John Stuart Mill. We analyze how unfreedom in indentured labor was rationalized when the rhetoric of freedom was essential to the dominant intellectual milieu. We consider why free labor was deemed unfeasible in the plantation colonies. We also consider the constraints that asymmetric information and unequal bargaining posed to freedom within the institution of indenture. We conclude that indenture represented an uneasy compromise between the problems of slavery and the unattainable goal of free labor.

I. INTRODUCTION

Political economic thought of the nineteenth century faced a contradiction between various freedoms (free trade, free movement of labor across and within countries, and freedom to enter and exit labor contracts). The institution of indentured labor set these various freedoms at odds: while workers were mobile across colonies, they could not move across jobs within the colonies. Similarly, while indentured labor helped facilitate free trade between European countries, the colonies could not benefit from this at the macro level, as they were not sovereign. Thus, the freedoms that were espoused were constrained by the historical context.

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In this paper, we consider how the institution of indenture fit within the narrative of nineteenth-century political economy, which had opposed slavery. We argue that indentured labor gained acceptability, despite the opposition to slavery, because it was a compromise between free labor and slavery. In the context of nineteenth-century Britain, free labor in the colonies was not feasible for a range of reasons, which we discuss. At the same time, slavery was not considered acceptable for both moral and economic reasons. Indentured labor could therefore be seen as a constrained compromise between these extremes, being located in the “continuum of unfreedoms” that was deemed acceptable within nineteenth-century rational economic thought.

This paper contributes to the growing literature on unfree labor within capitalism (see Barrientos, Kothari, and Phillips 2013 for review). The paradox between the political economy of emancipation and the policies on indentured labor is relatively understudied. The exception to this is Jonathan Connolly (2018), who saw the state subsidization of indentured labor migration as an attempt to use state power to benefit private economic agents during the era of free trade. Our paper differs from Connolly’s work in that we specifically look at the thought and policy regarding unfree labor to understand how indentured migration was similar to the kind of unfreedom that the liberal thinkers opposed, yet the system found favor.

Our discussion in this paper draws from parliamentary debates about indenture as well as written communication that informed these debates, including government publications, newspapers, and contemporaneous academic writing and lectures. We rely on a close reading of the works of eighteenth- and nineteenth-century British political economists including Adam Smith, John Stuart Mill, and the marginalist political economists (Alfred Marshall and William Stanley Jevons) in the context of economic and individual liberty. We also use original archival material from the British Library and the National Archives, including India Office Records, Colonial Office Records, and Parliamentary Papers, to understand the policy contentions related to this form of labor. Hansard notes, which are available online, help us to analyze the parliamentary debate on indentured labor, and the moral and practical position that the political class held on this form of labor in the context of political economy discourse.

Indentured Labor

The system of Indian indentured or “coolie” labor migration was established after the passing of the Emancipation Act in 1834 as an attempt to substitute for slave labor in the British plantation colonies. The indenture or bond derived from a contractual agreement, which the migrant workers signed at their place of origin. It was a form of bonded labor in which the terms of the bond or indenture were clear and limited. The workers were paid a modest wage¹ varying by location between 8s and 20s a month between 1830 and 1900. This wage was fixed over the period of their indenture. They were also given provisions (accommodation and supplies to cook food) and promised a return passage at the end of their indenture period. During the period of indenture, they were tied to a

¹ In the West Indies, for example, the wages were theoretically fixed at an average of 5s a week in the period from the 1830s to 1900, while in Mauritius it started at 8s a month and was subsequently raised to 10s a month. However, reported wages were often below this level. Plantations would often cut the wages as punitive measures as well as in times of sugar price fluctuation (Tinker 1993).

single employer with no freedom to move between employers or locations. The recruitment and passage for the workers were, in the initial years, heavily subsidized by the colonial government through colonial revenue and debt funding, and later through borrowing from the British Treasury.² Thus, the operation of the system required private agents (the workers, recruitment agents, ship operators, and plantation owners) to work with the government (both of Britain and of the sending and receiving colonies).

While indentured labor migration started in the 1820s, it grew significantly in the 1830s following the passing of an ordinance by the colonial government of India in 1837 that allowed recruitment of indentured labor first in the depots of Calcutta (Act V of 1837) and later in Bombay and Madras (Act XXXII of 1837). Indentured workers were introduced to Mauritius in 1838 and to Jamaica, British Guiana, and Trinidad in 1844. Immigration to Grenada was made legal in 1856, to St. Lucia in 1858, to Natal in 1860, and to Fiji in 1878. About two million Indians emigrated to the colonies in the period between 1834 and 1917.

The current literature on unfree labor is critical of the “free” and “unfree” dichotomy in labor relations, arguing that the true nature of the labor relationship cannot be usefully explained in terms of this dichotomy. However, the dominant intellectual tradition of the nineteenth century established this dichotomy to differentiate capitalism from other, inferior forms of economic relations. Classical political economy regarded free labor as characteristic of capitalism. In fact, the abstract economic frameworks of these writers took for granted free labor, with free entry into and exit from employment, free mobility between jobs and regions, and so on. Freedom of workers (to not work, for instance) was limited by their need for survival. Unfreedom was seen to be incompatible with capitalism because it suffocated the incentive for improvements. Though the position of many political economists with regard to slavery is well known (particularly Smith and Mill), few spoke explicitly about the system of indenture. While Smith predated the Indian indentured labor migration, he would have been acquainted with the system of indentured servitude that preceded slavery in British America, where White migrant workers provided labor in tobacco plantations starting in Jamestown, Virginia, in 1620 (Galenson 1984; Tomlins 2001). Yet he doesn’t explicitly mention that form of indentured servitude in *Wealth of Nations*, possibly because the scale of such migration was smaller and wasn’t facilitated by government, and perhaps also because the *Wealth of Nations* was primarily concerned with free labor within the context of capitalism, as discussed above. However, his critique of slavery provides some context within which post-emancipation indentured labor migration to the Caribbean colonies could be understood.

There was a debate amongst contemporary historians about how exploitative the indentured labor relation was. It was evident that this new experiment in labor relations, following on from slavery, continued to have some of the characteristics of slavery in terms of exploitative modes of labor appropriation, restricted mobility, and isolating conditions. However, it differed from slavery in providing some scope for negotiation and agency for the workers. The recruitment, migration, and work conditions were neither completely free nor completely unfree. These contracts were therefore part of the continuums of unfreedoms within capitalism (Lerche 2011), which were described by

² See Connolly (2018) for details on financing of indentured labor migration.

Stephanie Barrientos, Uma Kothari, and Nicola Phillips (2013) as “ranging from labour relations characterised by some violations of workers’ rights, to those which could be classified as severely exploitative and abusive—the very worst forms of ‘dirty, dangerous and degrading’ work” (p. 1037).

In the following section we describe the circumstances that resulted in the facilitation of indentured labor and how it was justified in the political circles of Great Britain. In [section III](#), we discuss the misgivings about unfree labor in the works of liberal thinkers of the time. In [section IV](#), we discuss how indentured labor was an uneasy compromise between the ideologically unacceptable system of slavery and the economically expensive (at least in the short run) wage labor. We conclude in [section V](#).

II. CASE FOR INDENTURED LABOR

The shift towards indenture came about as a result of a number of circumstances. The first of these were two Acts of the British Parliament, the Slavery Abolition Act of 1833 that made slavery illegal in the British colonies; and the Sugar Duties Equalisation Act of 1846, which removed preferential tariff protection for sugar from British colonies. Second, with the end of slavery, free workers in plantation colonies reduced their labor supply and wages increased. This reduced the profitability of capital, which was of concern to colonial policy makers. Additionally, the specific institution of indenture arose, partly at least, from an inability of migrants to bear the costs of travel. Indenture therefore facilitated the movement of workers from low to higher wage areas when the up-front costs were undertaken by the employer and required workers to be tied to those paying for their travel. We consider each of these below.

Changes in Policy

Two Acts of Parliament succeeded in squeezing the profitability of British colonial plantations. The first of these was the Slavery Abolition Act of 1833, which outlawed slavery and therefore reduced labor supply to the plantation colonies and increased wages. The second was the Sugar Duties Equalisation Act of 1846, which placed competitive pressure on the price being charged for sugar. Plantation profits were therefore being squeezed both on costs and prices.

John Gladstone³ voiced the concerns of the plantation owners when he argued that the increased bargaining power of workers in the colonies, following their emancipation, would “compel the planters to pay them wages, at rates much above their means or ability to comply with” while they had no “means of competition or resource within their power.”⁴ To help deal with this problem, a system of apprenticeships was put in place within which former adult slaves were required to work as “apprentices” for a period of up to eight years. During this period, they had to provide free services for three-quarters

³ John Gladstone was a West Indian merchant, plantation owner, and a Member of Parliament. At the time of abolition of slavery, he was a slave owner who received a compensation of £106,769 (modern equivalent £83 million) for the 2,508 slaves he owned across nine plantations in the West Indies.

⁴ Letter from J. Gladstone to Sir G. Grey, Date 1837. The Gladstone documents are available in the India Office Archives, British Library.

of the time and were allowed to work for a wage for the rest. While this allowed time for adjustment, it was not a long-term solution. The latter came in the form of a system of indenture that facilitated the migration of large numbers of workers first from China, and later India, into the Caribbean.

The Sugar Duties Equalisation Act of 1846 put further competitive pressure on British colonial sugar plantations as it sought to equalize tariffs between sugar imported from the British colonies and sugar from the non-British territories. It was passed with the intention of decreasing the price of sugar for consumers in Britain. It forced British plantations to compete on equal terms with sugar from non-British plantations, which were still using slave labor. The Act posed a moral and intellectual conundrum to the British Parliament: it encouraged trade but also allowed the import of slave sugar from non-British colonies into Britain. William Gladstone⁵ (who later went on to become the prime minister of the United Kingdom) vehemently opposed the Act, arguing that “it was a question of free labour against slave labour” and that the Sugar Duties Equalisation Act would “encourage slave labour and the slave trade.”⁶ The Act was supported in Parliament by Whig politicians for whom, at least in this case, the support for free trade, lower sugar prices, and increased welfare of domestic consumers superseded the interests of the plantation owners as well as those of the laborers on the plantations. They argued that the burden of supporting free labor through tariffs on sugar should not fall on consumers in Britain, who would effectively be paying a tax to support the West Indian plantation interests. The Whig politician Milner Gibson, for instance, objected to the tax because the tax paid would be diverted from the Exchequer to the colonial proprietors.⁷ Similarly, Robert Peel, one of the chief architects of the Sugar Duties Equalisation Act, argued that

the planters have no right to demand, and, moreover, to expect, that the British nation can permanently or long continue the payment of the enormous prices which have of late been charged for two⁸ of the most indispensable articles of general consumption, and that the welfare of our own population as well as that of the negro population, requires some alteration in this respect.⁹

The free trade-supporting Whig members of Parliament further argued that the manufacturing class in Great Britain would benefit from cheap raw materials from abroad, whether it was sugar or cotton, making tariffs on these commodities unacceptable. The Whig politician Thomas Macaulay argued that slave-produced cotton provided the backbone for the manufacturing industry in Great Britain. He concluded that, for the benefit of the British consumers and manufacturing interests, free trade of sugar was essential.¹⁰ Robert Peel, who as prime minister had overseen the repeal of the Corn Law, similarly argued that the reduction in tariffs on sugar was necessary for reciprocity in trade relations with slave-owning colonies. Brazil, for instance, was an exporter of slave-produced cotton and sugar and a major importer of British fabric. If Britain

⁵ William Gladstone was a proprietor in the West Indies and the son of John Gladstone.

⁶ Hansard, vol. 55, 25 June 1840.

⁷ Hansard, vol. 55, 25 June 1840.

⁸ This is indicating sugar and cotton.

⁹ Hansard, vol. 57, 6 May 1841.

¹⁰ Hansard, vol. 58, 11 May 1841.

operated a tariff regime that disadvantaged Brazil's slave-produced sugar, then Brazil was likely to retaliate by imposing tariffs on imports of British fabric. Peel argued that

with relation to the interests of our manufacturers, we ought to consider that the Brazils were large consumers of our fabrics, but would not long remain so if this country continued to refuse the reception of their principal articles of produce in exchange; and that we ought not to endanger the interests of one class [i.e. the manufacturing class] of the community to promote those of another [the plantation class].¹¹

British colonies producing sugar were therefore squeezed from both sides: labor costs and product price. John Gladstone articulated this when he said, "Mr Colville, Mr Davidson and myself, are deeply impressed with a sense of the risks to which our properties will be exposed, when the expiration of the apprenticeship takes place." These arguments were especially potent because the government knew that European capital had better returns on colonial plantations than back in Europe and this was in large part because, as Smith observed, "in our sugar colonies ... the whole work is done by slaves, and in our tobacco colonies a very great part of it" (Smith 1776, p. 383). Smith noted that "the profits of a sugar-plantation in any of our West Indian colonies are generally much greater than those of any other cultivation that is known either in Europe or America: And the profits of a tobacco plantation, though inferior to those of sugar, are superior to those of corn" (p. 383).

In response to these pressures, the government agreed to "a system of regular continuous labour," which became the indenture system.¹² Even while accepting these arguments, Liberal politician and abolitionist Milner Gibson suggested¹³ that it was "more advisable ... to expend part of ... Colonial income in purchasing steam-engines, and in importing new machines from England, than in promoting the immigration of fresh labourers." Robert Peel also "viewed the indenture system with great apprehension" as it was "a situation very little removed from that of slavery."¹⁴ Even John Russell, while encouraging migration including that of Indian workers to the colonies, had insisted that the workers "should be free to make such contracts as they should think fit for their own benefit."¹⁵ It is to be noted here that there was no specification of the conditions of immigration. If anything, the assumption was that this immigration was of free labor and was "qualitatively different" from slave migration (Major 2017, p. 25).

Free Labor and the Profitability of Capital

Not long after the Slavery Abolition Act of 1833, it was recognized that labor shortages were unlikely to be plugged by free workers in the colonies. The plantation owners as well as newspapers like *The Economist* claimed that the emancipated slaves in the colonies were satisfied with the bounties of nature and unwilling to work merely to increase their prosperity and that of the plantations they worked on. Quite apart from the

¹¹ Hansard, vol. 57, 6 May 1841.

¹² Letter from J Gladstone to Sir G. Grey, Date 1837.

¹³ Hansard, vol. 55, 25 June 1840.

¹⁴ Hansard, vol. 54, 22 June 1840.

¹⁵ Hansard, vol. 54, 4 June 1840.

labor supply problems this raised, it was seen as problematic from both a Christian and a political economy (growth/prosperity) perspective. The Christian view extolled hard work for the sake of the human spirit, while the political economy perspective prized hard work because of its benefits for growth and development. For example, *The Economist* wrote that the local population in most of the West Indian islands “wanted nothing in fact but the plantains they could grow without labour, and the huts which they could build on any waste mountain land without paying rent for it.”¹⁶ They therefore concluded that the case for indentured labor rested not on “the low ground of increasing the sugar and coffee crops, but rather on the clear *moral* advantages to the local population of a *necessity for competition*” (emphasis added). Similarly, John Gladstone wrote, in the 1837 letter to Sir G. Grey, that labor “would be in a great measure exempt from pressure, as vegetable food, particularly plantains, are abundant in the colony.” He, therefore, did not see the free labor of these colonies as a viable alternative to slave labor. In 1767, James Steuart in *Inquiry into the Principles of Political Economy* argued that “to make mankind labour beyond their wants. ... slavery was necessary. ... The reason is plain. If mankind be not forced to labour, they will only labour for themselves, and if they have few wants, there will be little labour.” This was reinforced by Edward Long (1734–1813), who agreed that nobody would work for others if not compelled by sheer necessity (Long 1772, pp. 64–66). Patrick Colquhoun (1806, p. 7) maintained that laboring for subsistence was indispensable in society because without it, social production would stop. Thomas Moody (1826, p. 62) said that in Britain, the pressure of the population upon the means of subsistence translated into steady labor because there was the need to subsist. This was not true in hot countries. In England, therefore, formal enslavement was not necessary, but on the colonies some form of coercion would become essential.

This view was endorsed by John Ramsay McCulloch (1789–1864), a Ricardian economist and newspaper editor, who argued (like the other political economists) that in ordinary circumstances when free and unfree labor belong to the same country, the former is cheaper. However, this was not necessarily true in the colonies because the inhabitants of West Indies had few desires, most of which could be “fully satisfied by the produce of a small patch of land, requiring but little labour in its cultivation: and such being the case it would be contradictory to suppose that they should voluntarily employ themselves in the hard labour necessary to produce sugar” (1832, p. 354). He concluded that “in the end, the culture of the sugarcane, on a large scale, will have to be abandoned,” unless some alternative form of unfree labor is found.

The Economist, though strongly opposed to the slave trade, advocated Indian indentured labor migration: “We have always been warm advocates of the Coolie immigration into the West Indies. We are convinced that by no other plan the population of these fertile islands be increased up to the high pressure point at which alone Africans can be induced to labour hard.”¹⁷ The supporters of indentured labor migration saw Indian workers as “docile” and “reliable,” as against the “slow and indolent temperament of the African Race”¹⁸ residing in the islands. They claimed that “the mild temper and

¹⁶ *The Economist*, 16 July 1859, issue 829.

¹⁷ *The Economist*, Saturday, 2 March 1861, vol. 019, issue 914, p. 227.

¹⁸ *The Economist*, Saturday, 16 July 1859, vol. 017, issue 827, p. 785.

cautious habits of the Hindoo, with the increased energy which the fine climate produces, renders him a much superior character to the African.”¹⁹

The plantation owners were concerned about profitability as the costs of production were expected to increase with rising costs of labor. The profitability of metropolitan capital invested in the colonies was crucially important to the colonial policy makers, who were, therefore, interested in populating the colonies in a way that would maximize colonial profits. Most notable was Edward Gibbon Wakefield’s strategy of the state-assisted emigration of British men and women, which would systematically colonize and “civilize” the colonial territory in Australia. However, for this strategy to work, immigrants should not be allowed to own large tracts of land available in the Australian continent as this would result in subsistence agriculture. In order to ensure “cooperation” of the migrants to provide wage labor, Wakefield recommended the restrictive pricing of land (Cazzola 2021).

Wakefield saw the problem as one in which capital was no longer sufficiently profitable in Britain. In fact, he said that “by reason of the vast masses of capital already invested, there seems but little room for the profitable investment of more, millions accumulate so rapidly, that funds are never wanted for even the most hazardous undertakings” (Wakefield 1833, p. 324). Therefore, capital was increasingly being invested abroad in search of higher profits, creating bubbles and often major collapses. In turn, growth in Britain was being suffocated. He saw one solution to this problem as the export of this capital to the colonies, where excess land increased the opportunities for profitable investment. As things stood at the time he was writing, poor Britons, paupers, and criminals were already being transported to Australia, New Zealand, and Canada, which had vast lands and very little labor. However, this movement of people did not create opportunities for profit or capital accumulation because land was so vast that most migrants settled down to farming for subsistence, an approach that would never result in growth or dynamism. Wakefield therefore argued that government policy would be required to encourage growth.

In this context, Wakefield’s policy suggestion was that the British government should increase the price of land in the colonies so that the vast majority who migrated would not be able to buy land. This would ensure a supply of labor and also a capital-labor separation in the colonies, which would, in turn, simultaneously create profitable opportunities for excess British capital and ensure growth in the colonies. Herman Merivale (1861) concurred with much of what Wakefield had put forward and taught this in his lectures in Oxford between 1839 and 1841. He argued that if colonies were to be prosperous, they would need a combination of fertile land, capital, and an abundance of labor. An excess of capital with inadequate land and labor would mean that the capital could not be productive. On the other hand, excess land where everybody could own some land would mean that labor was unavailable for capital. Thus, the new colonies would need to provide both land and labor in the right ratio if capital were to be optimally productive. Wakefield’s policy was specifically designed to save capitalism in Britain, help it to thrive, and to spread such capitalism to the colonies.

As we explain in the next section, Smith had earlier argued that slave labor would be more expensive than free labor. While Wakefield and Merivale agreed with him, they

¹⁹ Letter from Thomas A. Wise, MD, 19 September 1838.

argued that this would be true only if free labor was abundant. In a context where labor supply was constrained, free labor would not be cheaper than slave labor. Ultimately, therefore, the crucial issue was the land-labor ratio. The higher it was, the less compulsion there would be on free labor to work for somebody else. To facilitate capital accumulation, the land-labor ratio would need to be decreased so that there was an excess supply of labor without land. These workers would then be forced to work (by necessity) for others, and the expropriation of their labor would increase capital profits and therefore capital accumulation.

Robert Torrens (1833, p. 1263),²⁰ in fact, argued that this could be seen across the Caribbean islands with free labor being forced to work on Barbados because of pressure on land but not on Jamaica or Demerara. William Grant Sewell in *The Ordeal of Free Labour in the British West Indies* (1861, p. 321) said that the unwillingness of former slaves to labor for others was not related to defects in their character or that of their race. Instead, it was “a land question, with which race and colour have nothing to do.” After all, “the same process goes on in the United States, in Canada, in Australia, and in all new countries where land is cheap and plentiful and population is sparse.” In this context, coercion was implicit in all labor contracts. In fact, after the emancipation of slaves, free labor was redefined as contractual liberty but involved circumstantial coercion (either through poverty or other constraints). When this was spoken about, it was in terms of preventing the “devil” of indolence, and Thomas Carlyle, for example, talked of people being “delivered” from their own indolence even if this meant coercion.

Wakefield’s proposals were never implemented. Instead, indentured labor provided a steady flow of labor, decreasing the land-labor ratio and maintaining the profitability of capital in the colonies. This contrasted with the French and Dutch dialogue on this (as discussed in Stanziani 2018) wherein slave emancipation was possible only when the freed slaves had right of access to means of subsistence as well as the obligation to work. The British instead thought that free trade would translate to free labor.

Wakefield is seen as having a significant influence on political economists who were anti-imperialist, especially Jeremy Bentham and John Stuart Mill. He accused orthodox political economists of being capital-centric and argued that the separation of capital and labor was the basis of Britain’s success. He saw all forms of unfree labor—slaves, chattels, indenture—as remedies to the colonial labor problem, enabling the concentration of labor in large-scale agriculture, especially in sugar, tobacco, and cotton. While he saw indenture as “virtual slavery,” he also argued that the solution to plantation labor problems was to indirectly coerce free labor while being laissez-faire about labor recruitment. The compulsion to work would arise from the necessity of subsistence.

While Wakefield was concerned mostly with the profitability of capital in the mother country, another aspect of the problems facing policy makers was the profitability of plantations in the colonies. Recruitment costs for plantations were high and since they were at the beginning of the supply chain, they were also price takers. Being unable to change either of these circumstances, plantation owners reverted to squeezing the maximum value they could from the workers. Johannes van den Bosch, governor of the Dutch Caribbean (1827–28), legally recognized the personhood of slaves but rejected emancipation without land distribution, as this would produce pauperism.

²⁰ Hansard, vol. 19, 25 July 1833.

Interestingly, in Britain, this was seen as necessary to create a steady supply of labor for plantations, which was free in legal terms but was forced by the necessity to work.

Freedom of Movement and Costs of Travel

One significant argument in favor of indentured labor was that it facilitated freedom of movement from low- to high-wage regions. Lord Glenelg, a supporter of the East India Company and of the immigration of Indian workers, argued that in the absence of evidence of misuse of the indenture system, “it [would be] premature ... to condemn the policy of the Government simply because it did not prohibit Indian labourers from going from one part of her Majesty’s dominions to the other.” He stated further that unless there was the imminent danger of misuse, there would be no justification for “a barrier to the circulation of voluntary labour.”²¹ Likewise, W. Dowson, a merchant involved in recruitment of Indian indentured labor, argued that such migration increased economic freedom because it provided the migrants with the choice of escaping poverty at home.²² He claimed that no legislature could forbid immigration and compel poverty-struck individuals to live in “the most wretched manner” subject to “almost annual visitation of famine and disease.”

The movement of workers (once it began) had to take into account the costs of travel, wages, and maintenance, as well as the cost of uncertainty associated with mortality, ability, and willingness to work so far from home. Since these costs were sunk, David Galenson (1984) argued, the system of indenture was a rational economic response. Analyzing migration from Britain and Ireland to the USA from the seventeenth century, he argued that when people wished to travel from one country to another for work, they usually did not have funds to pay for the passage. Their passage was therefore paid for by their future employers, who recouped these costs through their subsequent labor in the mines in America. In the absence of the “indenture” contract, there would be no incentive for the laborers to stay with the employer who had paid their fare. In fact, says Galenson, as countries providing labor to the USA became richer (e.g., UK and Germany) and workers could pay their fare themselves, they traveled as free workers, making indenture less necessary. This was the most benign view of the development of indenture. Deerr (1949) calculated that the per-unit cost for indentured labor migration (including return) from the Indian subcontinent to the West Indies was about £20, and to Mauritius was £7. This aggregated to a cost of £20,000,000 for the immigration of Indian workers from 1838 to the early twentieth century. This cost was borne in part by the planter and in part by the receiving colony.

²¹ Hansard, vol. 41, 6 March 1838.

²² Minute of Mr. Dowson (p. 17), from Dickens’s Committee report. In August 1838, in an attempt to reconcile the demand for cheap labor to the outcry over the revival of slave labor, Secretary to the Government of Bengal H. T. Prinsep appointed a committee of six members with Mr. T. Dickens as the chair to look at the conditions relating to recruitment of workers from India to Mauritius. The committee’s membership was significantly diverse, with one Indian member on board. Notably, the committee failed to reach a consensus on their recommendation to the government. Eventually three different reports were presented to the government. The majority view of Mr. Dickens, James Charles, and Russomoy Dutt was presented as the Report of the Committee Appointed to Enquire into the Abuses Alleged to Exist in the Exports of Coolies (henceforth called Dickens’s Committee report). Two members, W. Dowson and J. P. Grant, disagreed and presented their own reports, and the sixth member, Major Archer, was absent at the end of the investigation.

In this section, we considered reasons for a shift towards indenture. These arguments convinced many Liberals about the necessity of the system, despite their misgivings about its operation. In the next section, we consider the misuses in more detail and discuss the Liberal response to these instances of misuse.

III. THE CASE AGAINST UNFREEDOM

The problems with the system of indenture were clear to many thinkers from the start. In a Parliamentary debate about the importation of Hindu workers into the West Indies, the Scottish abolitionist Lord Brougham argued that, despite what the West Indian confederates may claim, the indenture system was “nothing but slave trading is, and that nothing but slave trading can be.”²³ This sentiment of the abolitionists was also reflected in the *Manchester Times* on 14 July 1838 when it wrote that “while most of the colonial legislatures resolve terminating the apprenticeship system on the 1st of August, A NEW SLAVE TRADE between the East and West Indies is sanctioned by our professedly liberal ministry.” Similarly, the *British Emancipator*, a newspaper dedicated to the abolition of the slave trade and slavery, wrote in detail of forced recruitments in Calcutta and of high mortalities of “coolies” in the West Indian plantations.

Given that the concept of freedom was core to many Liberals, how did they see indenture as compatible with their views? At an aggregate level, indenture was associated with greater freedom in trade and also freer movement of people across borders, both of which were seen as “good” by liberals. At the individual level, too, indenture provided more freedom than slavery because, within it, labor power was owned by the individual (Rao 1999). However, this freedom was limited during the period of the indenture and there were clear philosophical as well as economic arguments against such unfreedom.

Many liberal thinkers were unhappy about the “uncivility” of unfree labour (Ince 2017). The concept of civility arose from Adam Smith’s metaphor of the “impartial spectator” who invokes a sense of fairness and justice against wrongs of the world, which included slavery (especially in *The Theory of Moral Sentiments*, 1759). In the context of ancient Greece, Smith referred to the states with domestic slavery that “sell.. man, woman, and child, like so many herds of cattle, to the highest bidder in the market” as the “vilest of all states” (Smith 1759, p. 333). Smith was also critical of European slave traders who traded African slaves, arguing, “There is not a negro from the coast of Africa who does not ... possess a degree of magnanimity, which the soul of his sordid master is too often scarce capable of conceiving. Fortune never exerted more cruelly her empire over mankind than when she subjected those nations of heroes to the refuse of the jails of Europe” (Smith 1759, p. 242).

This statement in Smith’s first manuscript predates the abolition of the slave trade by half a century and condemns slavery in general as well as the British slave trade more specifically. Daniel Klein (2020) notes that Smith’s criticism pertains to how slave traders showed neither the “amiable virtues” of European countries nor the “virtues of self command” that he associated with African countries. Klein also argues that while the

²³ Hansard, vol. 41, 6 March 1838.

criticism of slavery and slave trade constitutes only a few sentences in the *Theory of Moral Sentiments*, the theme is of critical importance in the book, since it is the first and almost only discussion of a specific issue of current politics. The significance of this discussion wasn't lost on Smith's contemporaries and was picked up in the works of many other authors, including, for example, slave-master-turned-abolitionist John Newton and an anonymous pamphlet (Klein and Asher 2022).

While in *The Theory of Moral Sentiments*, Smith is unequivocal in criticism of slavery, his critique of unfree labor from an economic point of view (as argued in the *Wealth of Nations*) was that it would always be costlier than free labor: no slave who knew that everything he produced would go to his master would ever put in as much effort into his work as would a free worker who knew that he would retain all proceeds. Indeed, "from the experience of all ages and nations, I believe, that the work done by freemen comes cheaper in the end than that performed by slaves." Incentives increased effort so that "the wages of labour are the encouragement of industry, which, like every other human quality, improves in proportion to the encouragement it receives" (Smith 1776, p. 85). Therefore, he concluded:

the experience of all ages and nations, I believe, demonstrates that the work done by slaves, though it appears to cost only their maintenance, is in the end the dearest of any. A person who can acquire no property can have no other interest but to eat as much and to labour as little as possible. Whatever work he does beyond what is sufficient to purchase his own maintenance, can be squeezed out of him by violence only, not by any interest of his own. (Smith 1776, p. 86)

While Smith raised both a moral and an economic argument against slavery, his economic framework primarily focused on free labor. Within it, the analysis of unfree labor could be done only in opposition to free labor rather than being an intrinsic part of the framework itself. Thus, he argues in *The Theory of Moral Sentiments*, for instance, that unfree labor would continue (despite its economic inefficiency) because man wanted power over his fellow beings and this would push him to enslave others if he possibly could.

Alfred Marshall, who started working on *The Principles of Political Economy* in 1881, about thirty-six years after indentured labor migration commenced between the Indian subcontinent and the West Indies, also argued that freedom was essential to production, and unfreedom was inefficient. Like Smith, Marshall argued that unfreedom was inefficient as well as barbaric and unacceptable. "All history," he said, "is full of the record of inefficiency caused in varying degrees by slavery, serfdom, and other forms of civil and political oppression and repression" (Marshall 1890, p. 164). And, "Freedom and hope increase not only man's willingness but also his power for work" (p. 164).

Despite a nominal wage being attached to every contract of indenture, the system would be deemed inefficient within Smith's and Marshall's frameworks. Indenture contracts paid the workers a flat rate, which provided little incentive for voluntary effort and meant that workers had to be closely monitored and coerced to work. In fact, the marginalists were clear that more than wages, it was *variable* wages that were essential for efficiency. Marshall therefore suggested that "it would be to the advantage of the employer to raise the time-earnings of the more efficient workers more than in proportion to their efficiency" (1890, p. 316). Thus, though from the perspective of efficiency and incentives, indentured labor could be deemed superior to slavery (with wages being an

incentive), it was inefficient from a marginalist point of view because the wage was predetermined and fixed. Similarly, Smith, while not explicitly alluding to indentured labor, also argued that fixed wage was inefficient in comparison to variable wage: “The superiority of the independent workman over those servants who are hired by the month or by the year, and whose wages and maintenance are the same whether they do much or do little, is likely to be still greater” (Smith 1776, p. 70).

In addition, Marshall also argued that the notion of *freedom* to work was contradictory because in the context of poverty, workers were forced to work. Marshall contended, “When a workman is in fear of hunger, his need of money [its marginal utility to him] is very great; and, if at starting, he gets the worst of the bargaining, and is employed at low wages, it remains great, and he may go on selling his labour at a low rate” (Marshall 1890, p. 279).

It is clear from the above discussion that neither Smith nor Marshall wrote within a framework that could consider unfreedom. In fact, their frameworks assumed that labor was free to enter into and exit from contracts, that it was mobile between employers, and that the wage was the incentive for labor. Unfree labor therefore was an aberration that could not be studied within these frameworks and required other modes of analysis. Other classical political thinkers opposed unfreedom on the grounds of individual liberty. In particular, J. S. Mill was opposed to both slavery and the voluntary loss of freedom, as in indenture. Mill was born a year before the abolition of the slave trade (1807) and by the time *On Liberty* was published in 1859, the system of indentured migration had become widespread. He was fundamentally opposed to the loss of liberty, even when it was voluntary. In *On Liberty* he argues that

an engagement by which a person should sell himself, or allow himself to be sold, as a slave, would be null and void; neither enforced by law nor by opinion.... His voluntary choice is evidence that what he so chooses is desirable, or at the least endurable, to him, ... but by selling himself for a slave, he abdicates his liberty; he foregoes any future use of it, beyond that single act. He therefore defeats, in his own case, the very purpose which is the justification of allowing him to dispose of himself. He is no longer free; but is thenceforth in a position which has no longer the presumption in its favour, that would be afforded by his voluntarily remaining in it. The principle of freedom cannot require that he should be free not to be free. It is not to be allowed to alienate his freedom. (Mill 1859, p. 75)

On these grounds, Mill objected to voluntary Chinese “coolie” labor in the United States (Schwan 2013). Marshall also argued that economic freedom required agents to have the ability to make “deliberate and free choice.” He wrote that “human agents of production are not bought and sold as machinery and other material agents of production are. The worker sells his work, but he himself remains his own property” (Marshall 1890, p. 466).

Writing about the employment relationship more recently, Robert Steinfeld (2001) raises two notions of freedom: freedom of contract, and employment at will. In the former, employers and employees are free to set the terms of the labor contract and they can accept contracts with penal sanctions. In Steinfeld’s words, “Freedom of contract implied that workers should not be constrained to enter only revocable agreements but should be free to bind their labor irrevocably as well” (2001, p. 9). This was the kind of freedom that Mill (1859) argued against. On the other hand, employment at will (which dominates employment relationships today) implies that the employment relationship

can be terminated at any time, and labor contracts cannot be enforced through penal or other non-pecuniary sanctions. On all of these grounds, the system of indentured labor migration contradicted freedom.

IV. INDENTURE: AN UNEASY COMPROMISE BETWEEN FREEDOM AND UNFREEDOM?

In this section, we analyze the differences between free and unfree labor along four axes specifically used by economists to understand free labor. Freedom, as the dictionary defines it, is the power or right to act, speak, or think as one wants. It implies the individual's ability to choose or act in the absence of necessity, coercion, or constraint. In this context, freedom in an employment contract would clearly involve free entry and exit and therefore also the free mobility of workers and employers. If these freedoms were to be meaningful, the workers would need to have good and true information about the terms of the contract—i.e., about wages, duration of contract, etc. These terms need to be adhered to and such a contract should not involve coercion. In what follows, therefore, we use these axes to consider the differences between free and unfree labor.

The system of indentured labor provided workers with some economic freedom and incentives because workers were paid a standard wage over the period of indenture and, at least theoretically, had the freedom to enter the contract and, after some time (five years), to exit the contract. Equally, however, it lacked the efficiency and individual liberty associated with free labor and was plagued by asymmetric information and bargaining.²⁴ We consider the problems with indentured labor and the extent to which it required compromise along four parameters: voluntary entry, wages, mobility, and coercion. We use these terms deliberately as they provide a link to the economic understanding of free labor and what makes it efficient. Our discussion leads us to conclude that indentured labor was an uneasy (and arguably unplanned) compromise between slavery and free labor. This is in line with Madhavi Kale, who argued that while it was initially “denounced by the abolitionists as yet another form of slavery, Indian indentured servitude ultimately offered a middle ground for a ‘liberal compromise’ between colonial entrepreneurs and the exponents of free labour” (Kale 1998, pp. 173–174).

Voluntary Entry?

A primary feature of free labor is that workers enter into contracts voluntarily. While indentured work contracts were intended to be voluntary, the lack of information amongst migrants when they were recruited raises a major problem. Workers often had no information about the place they would be traveling to, how far it was or how long they would be gone for. In addition, various reports commissioned by the governments

²⁴ Asymmetric information is “a situation where some participants in an economic transaction have access to more, or better, relevant information than other participants” (Black, Hashimzade, and Myles 2017). Asymmetric bargaining is similarly a situation where some participants have greater bargaining power in the process of negotiating and enforcing an economic contract.

of Great Britain and India pointed towards deceit and coercion at the point of entry, so that even when information was provided, it was often inaccurate and deceitful.

A committee led by T. Dickens (henceforth called Dickens's Committee), appointed²⁵ in 1938 to look at the conditions relating to the recruitment of workers from India to Mauritius, quotes a witness to "coolie" migration: "Did they know that they were to be separated for five years from their families?—No; they thought they were going only for two months, as it was stated to them.... The duffadars told them that they were engaged only for two months, so they expected to return to Calcutta in four or five months."²⁶

Similarly, Geoghegan's Report²⁷ of 1875 stated, "In February 1871 a flagrant case of kidnapping by recruiters and others was brought to light at Allahabad, and attracted a good deal of attention both in India and in England." Evidence of kidnapping for recruitment was also given by witnesses like David Hare, a Scottish businessman based in Kolkata, and J. H. Paton esq, magistrate of 24 Pergunnahs, who stated,

The charges were for kidnapping and imprisoning the Coolies, and ill-treating them, and were substantiated; the depositions were taken in Bengalee and Hindoostanee; the system appeared to be this: the duffadars go up the country, and meet with people in the country, and entice them down by promises of service, promising to up-country men the services of porter (durwans); to others, labour at Calcutta.²⁸

In an independent enquiry by the Government of India in 1916 on the conditions of indentured workers, Charles F. Andrews and William W. Pearson²⁹ reported multiple instances of duping and coercion. They noted that many individuals, especially women, "were recruited at the pilgrim centres. The common narrative was that the recruiting agent came up, offering to take the woman to her relations, or to show her some sacred shrine, and then took her to the depot instead" (Andrews and Pearson 1916, p. 7). The reports also claimed abuse and high mortality.³⁰

The reality, therefore, was that workers often entered into the contracts with insufficient information and were sometimes even coerced. Dickens's Committee concluded, "We conceive it to be distinctly proved beyond dispute that the Coolies and other Natives exported to Mauritius and elsewhere were induced to come to Calcutta by gross misrepresentation and deceit" (p. 14) They also found that workers were "really incapable of understanding the nature of the contracts they were said to have entered into even when an opportunity of explanation had been afforded" (p. 5). All these abuses happened in spite of the Legislative Enactments and Regulations of Police that were meant to safeguard workers.

²⁵ See footnote 22. Coolie Export Enquiry (Dickens) Committee 1838–40: Report and W. F. Dowson's minute of dissent. Calcutta, 1839–40. Available at British Library.

²⁶ Abdoolah Khan, doctor in the ship conveying "coolies" to Mauritius. Quoted in Dickens's Committee minutes, pp. 35–36.

²⁷ Mr. Geoghegan's Report (1875), "Coolie Emigration from India." Henceforth referred to as Geoghegan's Report. Available at British Library.

²⁸ Quoted in Dickens's Committee minutes, 15 October 1838, p. 58.

²⁹ See Andrews and Pearson (1916).

³⁰ For example, Geoghegan's Report, p. 23, spoke of the "terrible mortality which had attended emigration from Calcutta to the West Indies during the season 1856–57."

There is much evidence, therefore, that indenture undermined its promise of freedom. While information regarding these malpractices took time to emerge, many thinkers had predicted such misuse when the system was first discussed. Given both asymmetric information and misinformation, it could no longer be argued that entry into the indenture contract was freely undertaken.

Freedom of Movement?

On mobility, too, indentured workers fell between the extremes of slavery and free labor. Mobility in labor markets generally implies flexibility of contract and the ability to smoothly exit from the existing contract and to change employers. Indentured labor contracts usually were for five years and linked to a particular plantation. Neither the worker nor the plantation owner had the option to exit the contract early. The contract was to work for the period on a particular plantation, and the workers had no input in deciding which plantation. In addition, there was no opportunity for the worker to change plantations in case of disagreement or complaints or for plantations to get rid of workers when their individual situations or market conditions changed. The costs of the laborers had to be borne for the fixed period, though workers could be rented out to other plantations. This latter situation might have been possible when a single plantation faced difficulties but was less easy when macroeconomic conditions worsened: for example, if the sugar price fluctuated or there were weather shocks. In addition, since workers' employment was usually far from home in an unfamiliar country, their mobility was further constrained. Plantation colonies had strict vagrancy legislations that were used by authorities to restrict mobility of indentured workers and to prevent them from finding alternatives to plantation work (Mishra 2009).

Many also considered that the five-year length of contract was too long. For example, Whig politician Lord J. Russell argued that immigration of Indian workers to the Caribbean was acceptable on condition that they stayed "for periods of one year, and no longer."³¹ However, plantation owners argued that one year was not long enough to obtain a return on the investments made in recruitment and transportation of the workers. John Gladstone argued that

the period of five years for which we propose to engage these labourers is the shortest that circumstances will admit of.... In estimating the value of their services for five years, it is to be taken into consideration that as they would be altogether ignorant of the usages, and unaccustomed to such work as their services would be required for, a considerable time would be necessary for their instruction, probably six to twelve months, and during that time their services would be of little comparative use or value, whilst the same expense [of transportation and subsistence] would be incurred.³²

Wages of Labor

A free worker was paid a wage for her labor, while a slave was not. Wages could include cash and benefits in kind. Free workers were paid most of their wages in cash and were

³¹ Hansard, vol. 54, 4 June 1840.

³² Dickens's Committee minutes, p. 8.

then free to spend them in whatever way they pleased. Slaves, on the other hand, received no cash wages and only very minimal benefits in kind. These benefits in kind would normally include survival board and lodgings, with the quantity being at the whim of the master. Indentured laborers fell between these extremes with more cash wages than slaves but less than free workers and more benefits in kind than free workers (usually food, board, and possibly a free passage home).

The wages paid to indentured workers incentivized more effort than in the case of slavery, but they were not especially effective in bringing forth increased effort because they were fixed. Archival evidence indicates that the wages paid to Indian indentured labor, though lower than would be paid to free labor in the colony, were positive. Dickens's Committee reported that average wages of free labor ranged from 2s to 4s a day, while net wages for the indentured laborer was 8s a month.³³ The gap between free worker wages and indentured wages varied over time and according to location, and even as late as 1875 Geoghegan documented in his report that "the class of Indian immigrants at present in the Colony cannot, as a rule, earn more than half as much in the same time"³⁴ as the former slave.

In addition to low wages and abuses faced in the plantation, the workers were also disadvantaged in how risk was spread between the plantation owner and the worker. Dickens's Committee noted that, in principle, the indentured worker was supposed to receive six months' wage in advance at the time of recruitment, but this was usually not paid. Furthermore, to ensure that the plantation did not suffer a loss because of death of the indentured workers, they imposed a "stoppage of one rupee a month out of five, for the expense of his return passage" once the indentured worker arrived at the host colony. The expense of the return passage, according to the committee members, was 10 rupees per head, which effectively meant that "the Coolie pays, during his servitude, about 54 rupees for the risk to the master, who can but pay 10 for that risk; and, even supposing the money thus stopped out of the Coolie's wages to be refunded to him on going away (which there is great room for doubting), he is a great loser, and insures the master at an exorbitant rate."³⁵

Power Imbalance

This discrepancy was not surprising, given the asymmetric bargaining power between the workers and the employers. Smith (1776) argued that the collective bargaining power of landlords or capitalists (the "masters") is greater than that of the workers:

wages of labour, depends everywhere upon contract usually made between the two parties [workmen and masters], whose interests are by no means the same. The workmen desire to get as much, the masters to give as little, as possible. The former are disposed to combine in order to raise, the latter in order to lower the wages of labour. It is not, however, difficult to foresee which of the two parties must, upon all ordinary occasions, have the advantage in dispute, and force the other into a compliance with their terms. The masters, being fewer in number, can combine much more easily: the

³³ Dickens's Committee minutes, p. 8.

³⁴ Geoghegan's Report, p. 104.

³⁵ Dickens's Committee minutes, p. 7.

law, besides, authorises, or at least does not prohibit, their combination, while it prohibits those of the workmen. (p. 71)

In the case of indenture, the above was reinforced by the distance of workers from home and the rules prohibiting change of employers.

Marshall, in turn, argued that the disadvantage in bargaining comes about because labor power is “perishable” and, as the workers are “commonly poor and have no reserve fund, they cannot easily withhold it from the market” (1890, p. 326). It was therefore not possible for them to effectively bargain on wages and conditions. The workers’ “disadvantage in bargaining” resulted in wages being lower than the “real value of labour” or the marginal productivity of labor, which was seen as particularly problematic by the Classical political economists, for whom wage isn’t just an incentive for work but is also a mode to reproduce labor power by providing for a future generation of workers. Marshall believed that slavery could not reproduce the working class and, instead:

in paying his work people high wages and in caring for their happiness and culture, the liberal employer confers benefits which do not end with his own generation. For the children of his workpeople share in them, and grow up stronger in body and in character than otherwise they would have done. The price which he has paid for labour will have borne the expenses of production of an increased supply of high industrial faculties in the next generation. (1890, p. 325)

Contrary to this, the indenture system relied on a continuous stream of new entrants into the labor market, so that employers did not see themselves as responsible for providing a survival wage that covered the reproductive costs of labor.

The differences in bargaining power were apparent in the indentured workers’ experiences. Andrews and Pearson argued in their report:

Contracts for personal service, which are made, with ignorance on the one hand and intelligence on the other; or contracts which are brought about by the exploitation of the weak; or contracts which are engaged in for an excessively long period of years —these all tend to reproduce servile features. In these cases the new word ‘indenture’ is nearly equivalent to the old word ‘slavery’.... It is neither a free, nor an intelligent contract. It is not what a businessman would call a “square deal”. It is also fixed for a dangerously long period of years, and thus is liable to lead to the abuse of individual liberty. (1916, p. 2)

Though there were legal systems in place, purportedly to ensure that workers were not abused, they were biased towards the plantation owners. Geoghegan noted that in British Guiana, of the complaints made by the planters against workers (shirking, for instance), and workers against planters (for withholding payment), “the planter won 91 per cent, of his cases; the Indian only 38 per cent.” Geoghegan noted this position of disadvantage of the Indian worker because “he is ignorant of the language of the court”; “he is unacquainted with the forms of English law”; “the magistrates, unacquainted with Asiatics, are too apt to reject *en masse* the evidence of fellow-labourers of the immigrant in court, instead of trying to sift out what truth there may be amidst much exaggeration”; and “the great majority of cases are cases in which the immigrant is a defendant. Yet, since even if the charge be for breach of contract, the case is treated as a criminal case, the immigrant’s mouth is shut” (Report, pp. 88, 108–109).

Punishment (Coercion)

One of the crucial differences between unfree and free labor is the way in which effort is extracted. In free labor markets, wages are used to extract effort, while in forced labor, wages are usually too low to play this incentivizing role. In such systems, coercion is necessary to extract effort and to prevent shirking. In the system of slavery, such coercion was usually physical because, in the absence of wages, there were no other instruments that could be used. Tom Brass (2009) argued that coercion and violence become necessary to extract effort when unfree workers do not have positive incentives in the form of reward (wages/payments). Within indenture, two types of punishment—monetary and physical—were possible. An example of monetary penalties, for example, was the system of “double cut” whereby workers were fined an amount equivalent to two days’ wages if they missed one day of work.³⁶ Additionally, plantations were able to deduct part of the worker’s monthly wage as security for “good conduct” (Mishra 2009). Similarly, unlawful absence from plantations was punishable with fines and imprisonment. Most colonies also had strict vagrancy laws whereby immigrant workers were expected to carry permission slips to leave their plantations and identity cards, failing which they were liable to be arrested or fined.³⁷

In the context of abuses faced by indentured migrants in British Guiana and Trinidad, Kale (1998) writes:

even if they appear to have been cruelly single-minded, bureaucrats and plantation managers in British Guiana involved with the Indian indentured workers were not unusually diabolical or careless as administrators of justice or employers ... the managers and overseers accused of abusing Indian workers were doing no more or less than they or their predecessors had done under slavery, or than their counterparts were doing in mines and factories everywhere, including Britain and India. (p. 84)

Power asymmetries also resulted in coercion during employment on the plantations. Abdoolah Khan, a doctor on the ship conveying “coolies” to Mauritius, said, “I heard they were punished in this manner; as they were working in a stooping posture, nothing was done to them, but as soon as they stood erect, the sirdar or overseer beat them with rattans ... [they were punished] for standing erect and not working; this was when they stood up to take rest from working.”

Captain Alexander Garioch Mackenzie, captain of a ship carrying indentured workers, ordered workers “to be beaten with a rattan,” and Sheik Manick, a Sirdar, stated that his master used to tell him to

“[w]ork the Coolies as hard as possible.” Sirdar carried on, “I said, ‘If they were put to such hardship they would die’; he said, ‘Never mind, I will get others to supply their places if they die.’” I was never beaten by him but once, when I applied to him for pay, and an additional quantity of food; on that occasion he commenced beating the Coolies with his own hand, and on my remonstrating with him for this, he gave me a blow with

³⁶ Dickens’s Committee minutes.

³⁷ For example, an 1864 ordinance in British Guiana made it a criminal offence for an Indian indentured worker to be found outside a two-mile radius of the plantation where he or she was employed and made him or her liable to fines and imprisonment.

his fist, which knocked me down; he then sent for a policeman, and my hands were tied with a rope, and I was taken to the police.³⁸

Other sources also note coercion. For example, a former slave was quoted in a dispatch from the governor of British Guiana:

“The Coolies were locked up in the sickhouse, and next morning they were flogged with a cat-o’-nine-tails; Mr. Jacobs applied the cat with his own hands.... The Coolies who were flogged were tied to the post of the gallery of the manager’s house; the post was under the balcony, not under the stairs.... I saw the marks on the backs of some of them, marks across the back; they were cut, and I saw blood.”³⁹

Edgar Erickson (1934) noted that in the first year of indenture in the West Indies (in 1839), there were fifty-three deaths among 405 “coolies,” which included eight deaths among seventy “coolies” on the Vreed-en-Hoop plantation, which was owned by Gladstone.

Not surprisingly, women indentured workers suffered sexual punishment in addition to financial and physical. While some have argued that women had greater freedom in the colonies than at home, there is also evidence that they faced physical as well as sexual coercion. For example, Brij Lal (2012) writes about an indentured worker named Kunti in Fiji who was sent to weed alone in an isolated banana patch as enforced isolation, a common punishment for the trouble-making, non-docile worker. She faced sexual abuse by the overseer in an incident that was reported widely in Indian newspapers and subsequently led to campaigns to stop indentured work. However, despite the publicity that Kunti received, her account was rejected as “unreliable” based on her “immoral” character. This, Lal believed, was an example of how female Indian indentured workers faced the “double backpack of racism and sexism” (p. 198) in their community and amongst the plantation officials.

Many authors have documented the economic exploitation, racial discrimination, and isolation of the migrant population (Mishra 2009; Carter and Torabully 2002). For example, writing about high rates of suicide amongst indentured workers in Fiji, Lal (1985) noted the brutality of overseers, general isolation and loneliness of plantation life, and the relentless pace of plantation work as factors leading to depression and suicide amongst workers.

On Agency

Our analysis in this paper raises issues regarding the freedom of indentured workers to enter into contracts, move between employers, be paid a fair wage, and avoid coercion. The agency that could be exercised by indentured workers was constrained by poor information, an imbalance in power, and, often, corruption on the part of recruiters. However, this was countered by arguments that indentured workers had agency during and after their indenture period.

Piet Emmer (1986), for example, states that while there were instances of coercion, “the shortcomings of the indenture system, however, do not make it comparable to the

³⁸ Quoted in Dickens’s Committee minutes, pp. 36, 37, 48.

³⁹ Elizabeth Caesar, laborer, of Vreed-en-Hoop, quoted in dispatch from Governor Light to the Marquess of Normandy (1840). Available at British Library.

slave trade ... indentured emigration had more in common with the 'free' emigration out of Europe during the 19th century than with slave trade during preceding centuries" (p. 187). Similarly, Lomarsh Roopnarine (2011) argues that while indentured workers were recruited and transported under conditions of restrictive colonial regulations with limited mobility, many Indians resisted these regulations and were able to express agency and subsequently dictate their own lives.

The issue of agency has been particularly contentious in the case of women migrants, with some authors arguing that women who migrated "gained more opportunities than they would have had at home to rid themselves of marital, societal and economical oppression" (Emmer 1987, p. 115). Similarly, Neha Hui and Uma Kambhampati (2022) find that women migrants across different caste groups were less likely to return to India after the end of their indenture period than their male counterparts. This is because many of the women who migrated were widows, destitute, or runaways who faced less stigma and fewer restrictions in the plantation colonies than they did at home. Others, however, noted that women, despite this increased agency, were particularly subject to sexual as well as racial and caste stereotypes, which made them vulnerable to violence and stigma both in the plantation and their own community (Bahadur 2013).

Our consideration of indentured labor along these parameters—entry, mobility, wages, power imbalances, and punishment—clearly reveals that indentured labor was uneasily located along the spectrum of unfree labor between the unacceptable system of slave labor and that of free labor.

V. CONCLUSION

In this paper, we attempted to understand whether indentured labor was considered unfree labor in the political economy discourse of nineteenth-century Britain. The post-emancipation Indian indentured labor migration came about at a time when the British political and intellectual class upheld the ideas of freedom, and by nature indentured labor contracts contradicted these ideas of freedom.

Despite these misgivings, labor migration (with some kind of indenture) was seen as essential to ensure profitability of the West Indian plantations, following two Acts in the British Parliament that were themselves central to the idea of freedom: the Slavery Abolition Act of 1833 and the Sugar Duties Equalisation Act of 1846. After the emancipation of slaves, indentured laborers provided an alternative source of labor in which the workers were compensated and—at least theoretically—voluntarily entered a contract. In addition, the restriction of mobility within the contract and the distance from their home ensured their docility.

This paper discusses the constraints under which policy makers and thinkers were functioning during this period. In particular, the need to provide a sustained flow of workers to the plantations once slavery was abolished, a flow that would continue to maintain the profits of European capital invested in these plantations and maintain low costs for both consumers and manufacturers, was all-important. While these aspects of the migration were rationalized in the liberal discourse, some other aspects were harder to justify. The workers had very limited local mobility and the predetermined wage was less than what the free worker earned. There was significant evidence of high mortality,

low bargaining power, coercion, kidnapping, physical punishment, and monetary penalties that far exceeded what a free worker would face. Thus, though this form of migration measured up to considerations of macro freedom and partial micro freedom, it did not meet standards of individual liberty. Indentured labor migration was therefore a compromise between slavery and free labor. It ensured free trade and free international mobility of workers. The workers were notionally free as they were voluntarily selling their labor power.

COMPETING INTERESTS

The author declares no competing interests exist.

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