

Strangulation of a port : East London, 1847-1873

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EAST LONDON, on the mouth of the Buffalo River, was founded in April 1847 as a port to supply the military forces during the War of the Axe¹ (the 7th Frontier War, 1846-1847). It had geographic and climatic advantages over Port Elizabeth, for the port was well placed on the east coast of Southern Africa with a river mouth to offer protection to the surfboats from both wind and sea while cargo was landed and loaded. Furthermore, the road to the interior (to King William's Town, Queenstown, Aliwal North and the territories beyond the Orange River) was shorter than the route from Port Elizabeth, and no mountain ranges or river valleys obstructed the flow of traffic. East London was also better situated climatically, for the trade route was well watered and contained excellent pastures, an important asset in the days of animal-drawn transport.

It is possible, therefore, that this port might have presented a serious challenge to Port Elizabeth's position as the leading port of the Eastern Cape, had government interference not impeded its natural advantages.

EARLY PROSPERITY AND BANKRUPTCY

There was great initial excitement at the creation of the new port, particularly one whose immediate prospects seemed so good. As early as May 1847, traders had begun moving in as camp-followers in the wake of the military occupation. An article in that month's *Graham's Town Journal* reported that the Buffalo River could boast

a substantial wooden store, under the management of Mr George Reeler, and well filled both with the necessaries and luxuries of life, so that although we may be almost shut out from civilized society, yet we have the pleasing reflection that ere long, many friends will be tempted to join us in exile.²

By July it was reported that the first export trade of hides and horns was taken aboard the *Conch*.³

When Sir Harry Smith took over the administration of the Cape Colony in December 1847, he actively encouraged merchants to establish trading stations, shops and hotels in British Kaffraria. The High Commissioner saw in their presence some form of educational experience for the Xhosa in that the black community would be brought face to face with white civilization and a money economy.⁴ This, in turn, would serve to erode the power of the chiefs. His appeals led to a further influx of traders to East London, so that by mid-January 1848 trading licences to the value of £370 had been issued.⁵

Yet hopes for a prosperous future soon began to fade. By the end of 1848 merchants at East London had started to sell their businesses and early in 1849 bankruptcies began.⁶ The Sub-Collector of Customs was soon to describe East London as being in a deplorable condition, with "nothing but quarrelling and bankruptcy" and becoming "little less than a mud hole".⁷

What was even more important, however, was that the trade of British Kaffraria and the North Eastern territory had begun to pass overland to Port Elizabeth via Grahamstown, instead of following the natural route through East London. Once started, it was to take more than twenty years for this phenomenon to be reversed, by which time East London had lost her natural trade advantages.

There was no single factor underlying this situation. Two conditions, however, stand out more than others. The first was the peculiar political circumstance in which East London found itself when the port was annexed to the Cape Colony in January 1848. Second was the monopoly possessed by the

Commissariat-owned Surf-Boat Establishment which was responsible for the landing and loading of cargo from ships anchored in the East London roadstead.

ANNEXATION OF EAST LONDON

The High Commissioner realised that the establishment of a port in British Kaffraria would create trade difficulties which a military government was not equipped to handle. In the first place, the merchants in British Kaffraria would obtain their merchandise duty-free. Of greater concern, however, was the possible creation of lines of trade from East London through Grahamstown to the Cape Colony, and from East London to the interior, as far afield, Smith said, as the "expatriated boors on the line from Colesberg towards Natal". The High Commissioner explained to the Secretary of State for the Colonies that every trader, when asked the source from which he would draw his supplies, had indicated his intention to use the mouth of the Buffalo River. This, Smith pointed out, would create the danger of smuggling and "every species of fraud" which would reduce the revenue of the Cape Colony.⁸

The solution to this problem was the creation of either a civil customs establishment at East London or of inland posts along the colonial boundary with British Kaffraria. The latter solution was expensive and therefore undesirable. Yet, until such time as a civil government could be installed in

¹ An attempt had been made to establish a port in 1835-1836, at the end of the 6th Frontier War. The place was then named "Port Rex". Since the port then consisted only of a military camp, Port Rex ceased to exist in December 1836 when camp was struck and the name fell into disuse. With the re-establishment of a port in 1847, it was renamed "London", which was soon changed to "East London" to avoid confusion with the port in England. See K.P.T. TANKARD, *East London: the creation and development of a frontier community, 1835-1873* (M.A., RhU, 1985), pp.19-20 and 37-39.

² *Graham's Town Journal*, 22.5.1847.

³ *Ibid.*, 31.7.1847.

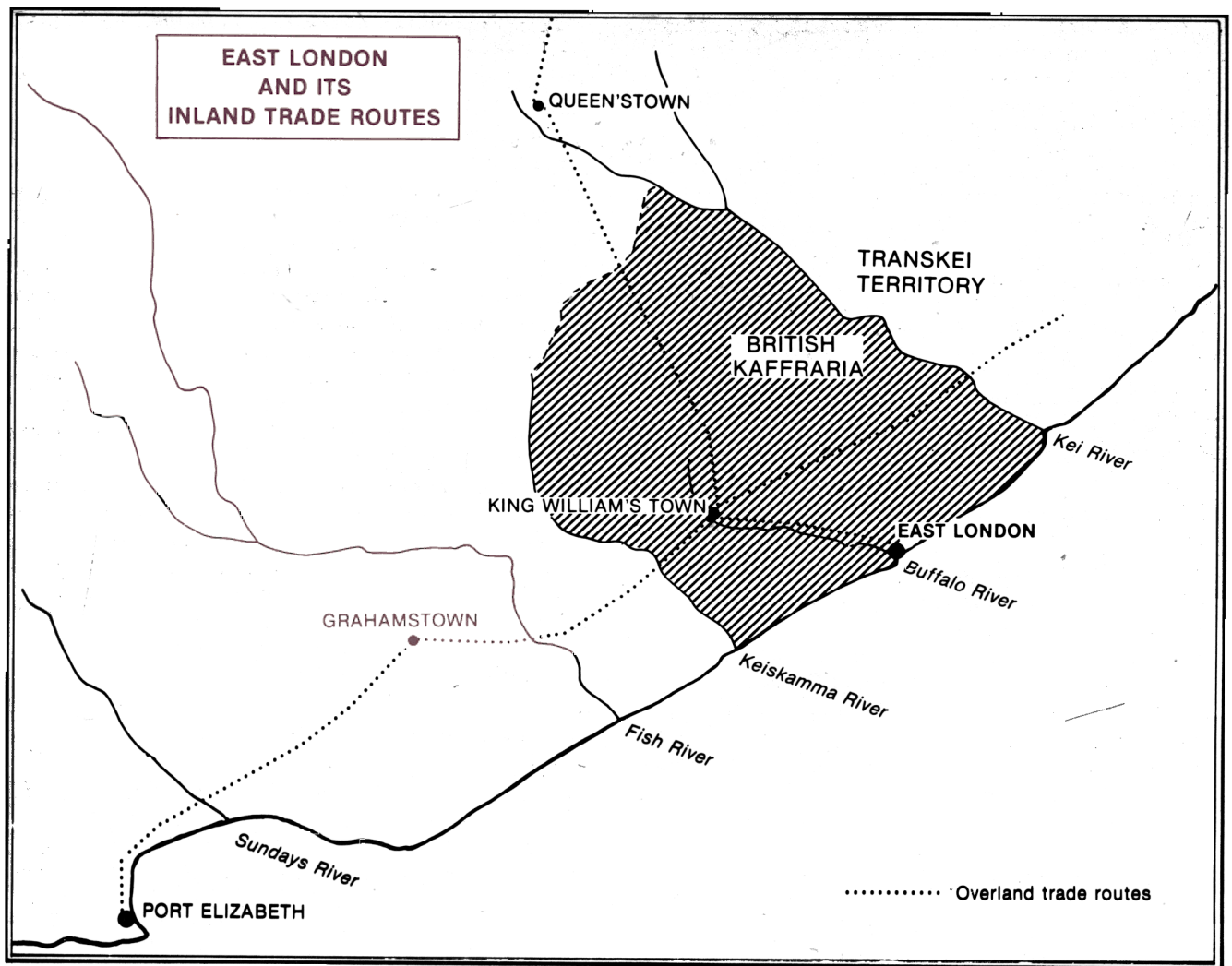
⁴ CAPE OF GOOD HOPE (British Parliamentary Papers 969, Vol. XLIII), *Correspondence with the Governor...relative to the state of the Kafir tribes on the Eastern Frontier of the Colony* (London, 1848), pp.26-27: Government Notice (No. 3), 23.12.1847.

⁵ TANKARD, *East London*, p.42.

⁶ *Ibid.*, p.93.

⁷ Cape Archives Depot, Cape Town (CA), Controller of Customs, Cape Town (CCT)188 : G.R. Midgeley — Field, 18.2.1849.

⁸ CAPE OF GOOD HOPE (British Parliamentary Papers 969, Vol. XLIII), pp. 56-57 : Sir H.G.W. Smith — Earl Grey, 14.1.1848.



British Kaffraria, there was no means of regulating the customs at the port unless it became a part of the Cape Colony which already had the necessary machinery.

Sir Harry Smith adopted a solution which was in the best interests of the Cape Colony. He chose to ignore the local interests of East London and of British Kaffraria and thereby triggered a succession of trade difficulties which destroyed East London's natural status as a port and drove the British Kaffrarian and inland trade overland to Grahamstown and Port Elizabeth.

QUESTION OF THE LETTERS PATENT

It is possible that the High Commissioner intended the annexation to be of a temporary nature only, to last until letters patent were issued which would create a civil government in British Kaffraria and so enable that territory to handle its own customs revenue. These letters patent were indeed issued in December 1850 but various complications ensured that they were not put into effect for a further ten years.

The letters patent formally proclaimed the establishment of British Kaffraria as a crown colony and laid down the principles by which the territory was to be governed.⁹ When these letters arrived in Cape Town, however, the 8th Frontier War was already in progress and Smith was on the frontier supervising the campaign. As a result, they were not published.

Sir George Cathcart (who succeeded Sir Harry Smith) became aware of the existence of these letters patent only in February 1853 and, because they had been in abeyance

for over two years, he was uncertain as to what action to take. Although he admitted that there was no logical reason to prevent their immediate implementation, the fact that Smith had not done so nevertheless gave cause for doubt. Cathcart therefore turned to his superiors for guidance and the Colonial Office responded only a year later by drawing up new letters patent.¹⁰ These reached Cathcart in May 1854, just one week before he was due to leave the Colony at the end of his term of office. He decided not to promulgate them but to leave them in safe-keeping for his successor, Sir George Grey.

Arriving at the Cape Colony in December 1854, Grey had his own plans for British Kaffraria and wished to be free of all legal restraints by holding the constitutional status of the territory vague and undefined. He therefore deliberately refrained from publishing the new letters patent.¹¹ It was only in October 1860, when it was clear that he would be unable to further any more of his ambitions for British Kaffraria, that the letters patent were at last implemen-

⁹ CA, H26 : Letters Patent constituting British Kaffraria a separate dependency, 14.2.1850.

¹⁰ CAPE OF GOOD HOPE (British Parliamentary Papers 1635, Vol. LXVI), *Correspondence with the Governor...relative to the state of the Kafir tribes and on the recent outbreak on the Eastern Frontier of the Colony* (London, 1853), pp.217-218 : G. Cathcart — Secretary of State for the Colonies, 11.2.1853; CA, H34 : Letters Patent providing for the government of British Kaffraria, 7.3.1854.

¹¹ J.A. BENYON, *Proconsul and paramountcy in South Africa* (Durban, 1980), p.66.

ted.¹² By this time, however, the damage to East London's trade had become almost irreparable.

NEED FOR A JETTY

One of the first problems to arise as a result of East London's changed political status was the question of a jetty. The temporary wharf which had been built in April 1847 was washed away in the flood of February 1848. The Board of Commissioners, which Sir Harry Smith himself had appointed in January that year to investigate ways to improve the port, recommended that a new wharf be built and suggested that soldiers should be released from the military establishment to undertake this work.¹³ Smith, however, ignored all the Board's recommendations.¹⁴

Successive resident magistrates took up the fight for East London's rights. Their arguments were convincing. Without even a simple jetty the landing and loading of cargo had to be done on the river bank, which increased the danger of damage or loss to goods handled in this way. The surfboats therefore had to travel further up the river to a point suitable for unloading, thereby increasing the distances to be travelled both by water and by land. In short, it created an inefficient and much more expensive operation.¹⁵

By 1850 the financial implications of the lack of a jetty had become enormous, with astronomical freight charges of over £2 per ton (approximately 907 kg) being charged on goods bound for East London. As a result, even the East London merchants had started to import their merchandise via Port Elizabeth and Grahamstown where the reduced freight charges more than compensated for the expense of the long overland carriage.¹⁶

Yet the cost of a jetty was not so very high. A wharf of the type recommended by the Board of Commissioners would have cost £429, provided that military labour was used for the construction.¹⁷ In November 1849, when it was realised that the government was simply not prepared to spend that sum of money, the resident magistrate drew up plans for a simple jetty which would have cost no more than £35, using military labour and materials found at the port.¹⁸ Yet the authorities consistently refused to take action.

Part of the problem was simply bureaucratic procrastination.¹⁹ More to the point, however, was the uncertain position of East London's political status. The Cape Government hesitated to spend colonial money on the port because of its imminent return to British Kaffraria once the letters patent were published. Indeed, the High Commissioner appeared to consider East London, for practical purposes, as still part of British Kaffraria.²⁰ This meant that the port was regarded solely as a military supply route and, as such, no alterations were authorized unless they were directly connected with the military situation. The traders' problems were considered irrelevant. In the meantime, however, trade at the port floundered. East London, the Chief Commissioner for British Kaffraria stated, "was under a Cloud, and a considerable export trade from Kaffraria and the North Eastern Country, which, were there a jetty, it would doubtless attract, is lost to it".²¹

That East London did eventually acquire a jetty was due to simple military expediency. The High Commissioner had decided that the Rifle Brigade in British Kaffraria needed to be relieved and that a jetty would be useful for the embarkation of the troops. The authorization for its construction was therefore given and the work was completed towards the end of May 1850 at a cost of only £11/12/0, a sum paid for out of the Commissariat Fund.²²

PROBLEM OF CUSTOMS REVENUE

Another major problem caused by East London's uncertain political status was the collection of customs revenue. As long as East London was a part of the Cape Colony, it did not matter whether merchandise was imported through Algoa

¹² TANKARD, *East London*, p.30.

¹³ CA, Colonial Office (CO)4489 : Report of the Board of Commissioners, 12.2.1848.

¹⁴ TANKARD, *East London*, p.74.

¹⁵ CA, CO4489 : Major G.H. Smith — G.H. Mackinnon, 6.9.1848.

¹⁶ *Ibid.* : E. Rooper — G.H. Mackinnon, 15.3.1850.

¹⁷ *Ibid.* : Stokes — Major G.H. Smith, 22.9.1848.

¹⁸ *Ibid.* : E. Rooper — G.H. Mackinnon, 12.11.1849.

¹⁹ TANKARD, *East London*, pp.75-76.

²⁰ *Ibid.*, pp.45-48.

²¹ CA, British Kaffraria (BK)392 : G.H. Mackinnon — Colonial Secretary, 18.3.1850, p.103.

²² CA, East London Magistrate (unsorted) (1/ELN) (1848-1854) : Maydwell — G.H. Mackinnon, 27.5.1850.

Water-colour by an unknown artist of East London (c. 1852).

PHOTOGRAPH: AFRICANA MUSEUM, JOHANNESBURG





An unknown artist's impression of East London, June 1857.

PHOTOGRAPH: AFRICANA MUSEUM, JOHANNESBURG

Bay (Port Elizabeth) or East London since the fees collected at either port were paid into the Cape Treasury.

Most of the traders in East London and British Kaffraria had neither the finances nor the turnover to enable them to buy in bulk. Had they been able to do so, they could have spared themselves a considerable economic outlay. The Grahamstown merchants, who had the support of large capital and so were able to import their goods in bulk directly from the countries of manufacture, obtained their merchandise at a discount of at least 25%. Since East London had no bonding warehouse until 1856, the traders at the port were simply not able to compete with the colonial merchants and so the overland trade via Grahamstown continued.²³

When a bonding warehouse was eventually established, however, it still did not markedly affect the importation. The monopoly held by the Commissariat-owned Surf-boat Establishment was partly responsible for this (as will be discussed below). It was compounded, however, by a government proclamation in 1859 which made it virtually impossible to import any goods other than bulk packages, since only imports which had been bonded in Cape Town in unbroken packages were allowed to proceed to East London duty-free.²⁴

The proclamation created a problem which was solved only when British Kaffraria was annexed to the Cape Colony in 1866. Most of the merchants at East London still could not afford to buy in bulk, despite the creation of the bonding warehouse. They were therefore forced to purchase their merchandise from the Cape Colony out of bond, since only unbroken packages were bonded. Duty on such purchases had already been paid to the Cape Treasury when the packages had been imported and yet they became subject to a second duty on reaching East London. Even then, the new import duty was not based on the original price of the article in the home market but on its value in the Cape Colony.²⁵

The merchants at East London, King William's Town and the interior again discovered that it was far cheaper to purchase such articles in the Cape Colony and transport them overland via Grahamstown, by which means the second customs levy could be saved. Those merchants who used the proper channels and imported from the Colony via East London found that the extra costs allowed them no oppor-

tunity for competing with the merchants who traded overland. The rate of carriage from Port Elizabeth and Grahamstown to British Kaffraria was reported as being so low that overland importation gave those merchants a considerable advantage.²⁶

In December 1859 the Sub-Collector of Customs reported that, as a result of the customs situation, many of the shopkeepers in British Kaffraria had become entirely supported by Grahamstown merchants rather than those at East London. This was especially the case with certain goods such as haberdashery, millinery and fine goods, which were sent from Britain in packages far larger than country traders required. Although these products were light in weight, which made the cost of routing them overland 'trifling', they were nevertheless of great value and this created a considerable loss to British Kaffrarian revenue. Furthermore, since these articles were already being brought overland, the traders then purchased other merchandise in the Cape Colony so as to load the wagons.²⁷

Even as late as the beginning of 1866, when a combination of a crippling drought and a severe economic depression had made overland transportation expensive, the merchants of British Kaffraria, the North Eastern Cape and the Orange Free State found it advantageous to procure their merchandise in this way rather than pay the expense of the additional duty.

THE SURF-BOAT ESTABLISHMENT

Apart from the lack of a jetty and the customs problem, another major reason for the trade being driven overland to Port Elizabeth was the monopoly of the Commissariat-owned Surf-Boat Establishment which resulted in escalated freight charges, inadequate and inefficient portage, and a lack of concern and responsibility for the cargo under its care.

It was natural that the Surf-Boat Establishment should have been in the hands of the Commissariat in the early years. East London had been created as a military supply

²³ CA, BK64 : M. Jennings — J. Maclean, 16.1.1854.

²⁴ *Cape of Good Hope Government Gazette*, 12.7.1859 (Proclamation No. 63, 9.7.1859).

²⁵ CA, Government House (GH)8/43 : M. Jennings — J. Maclean, 21.12.1866. See also *King William's Town (KWT) Gazette*, 19.3.1866.

²⁶ CA, GH8/43 : Petersen & Holme — J. Maclean, no date. (Enclosure to despatch : J. Maclean — Travers, 25.3.1860).

²⁷ *Ibid.* : M. Jennings — J. Maclean, 21.12.1859.

route, and as long as the military population exceeded the civilian in British Kaffraria, so military cargo would exceed that of the trader. Furthermore, while trade into British Kaffraria was small, shipping to East London remained infrequent. It would not have paid a private company to take over the Surf-Boat Establishment. Yet military necessity demanded the maintenance of an establishment beyond the daily needs of the port, even if it had to operate at a loss.

A report in August 1849 spelt out these problems. The minimum operating cost of the Surf-Boat Establishment was given as £1 000 per annum, which comprised the expense of the three surfboats and the salaries of 23 men to operate them. The Surf-Boat Establishment had kept up this scale, the report stated, as a precaution, although work occurred only at long intervals. An attempt had been made to interest private enterprise but this was not possible as long as there was so little trade to the port. At the same time the Commissariat had attempted to meet the needs of the traders by undertaking the transportation of private cargo.²⁸

It was not, however, initially the military control of the Surf-Boat Establishment, nor the fact that military cargo was given preference, that troubled the traders who tended to view this as an acceptable imposition. Their grievance was that the inefficiency of the Surf-Boat Establishment prevented it from meeting the demands of the increased trade into British Kaffraria, especially after the sudden influx of German settlers to the territory in 1857-1858. Indeed, the Surf-Boat Establishment did not increase in size in all its years under government control.²⁹ Furthermore, once the Establishment had been handed over to the civil government of British Kaffraria in 1865, emphasis was placed on the reduction of costs rather than increased efficiency.³⁰



"Crossing the Buffalo at East London, 1867." (Water-colour by A.H. Harkness).

PHOTOGRAPH: AFRICANA MUSEUM, JOHANNESBURG

Because of its monopoly the Surf-Boat Establishment could charge whatever freightage it desired. Even when charges were reduced once the jetty had been built in 1850, they were never to equal those of the privately-owned Algoa Bay companies, where competition brought fees to a minimum. As late as 1864, the *Kaffrarian*³¹ reported that the East London merchants had to pay 10s.6d. per ton for cargo off-loaded at the port while the private companies at Port Elizabeth charged only 5s.6d. per ton.³²

Another major problem was the Commissariat's refusal to accept responsibility for loss or damage to cargo. As a result, there was no pressure on the Surf-Boat Establishment to take proper care of the cargo in its hands. The traders complained of the deplorable state of the Commissariat surfboats which resulted in the "sad condition" in which their

cargoes were being landed. This, the merchants said, led to severe losses for which they had no means of compensation, either for goods damaged by sea-water or through pilfering during landing.³³

A further result of the Commissariat's inefficiency and the preferential treatment afforded to military cargo was the overlong delay in trans-shipment of goods from vessels anchored in the roadstead. The editor of the *King William's Town Gazette* commented in April 1857 that on one particular Saturday that month, there had been no less than fifteen ships anchored in the roadstead awaiting discharge. But, he continued, "with the present number of boats and under the existing system, work of landing from private vessels is almost an endless job".³⁴

This claim was substantiated by the Chief Commissioner for British Kaffraria. One vessel with direct import cargo for East London, the Commissioner stated, had eventually sailed for Port Elizabeth to discharge, after having waited at anchor in the East London roadstead for a full two months. Furthermore, there was a vessel then at anchor which was likely to be detained for another four months. These facts, he concluded, spoke for themselves. No port could prosper under such a system and it was the only obstacle to "the prosperity of ours". The Chief Commissioner pointed out that the Grahamstown merchants "have taken advantage of our Crippled Condition at East London and are sending goods from G. Town".³⁵

The combination of these factors could only spell disaster for East London as the port for British Kaffraria, and by April 1857 owners and masters of vessels were threatening never to return.³⁶ The traders in their turn complained that the delays were detrimental to the ship-owners and resulted in a rise of freight charges to East London.³⁷

Some five years before (in April 1852) the *Graham's Town Journal* published an article which aimed at proving that Port Elizabeth was the cheaper port for merchants in British Kaffraria. The comparative table which accompanied the article showed the astonishing picture of costs which faced the East London merchants:

[Particulars]	Per ton to P.E.	Per ton to E.L.
Freightage from Cape Town	12s.6d. - 15s.	30s. - 40s.
Landing and forwarding	9s.9d.	7s.
Insurance	1%	42%
Carriage to Grahamstown	2s.6d. - 3s.*	-
Carriage to King William's Town	1s.9d. - 2s.6d.	2s.6d.*

*Per 100 lbs (45 kg)

²⁸ CA, 1/ELN : Miller — Sir Harry Smith, 7.8.1849.

²⁹ TANKARD, *East London*, p.83.

³⁰ CA, CO3207 (No. 12) : Report on the working of the Surf-Boat Establishment, 18.9.1866.

³¹ *Kaffrarian Recorder and East London Shipping Gazette* (later called simply *The Kaffrarian*) was East London's second newspaper, founded in 1863 by G.M. Theal but closing publication in 1865. The first newspaper was *The East London Times* which was published for two months early in 1863.

³² *The Kaffrarian*, 24.12.1864. Also *KWT Gazette*, 8.6.1865.

³³ CA, GH8/31 : Memorial of the Merchants and Importers at East London and King William's Town, no date. (Enclosure to Schedule 412, 12.3.1857).

³⁴ *KWT Gazette*, 11.4.1857.

³⁵ CA, BK2 : J. Maclean — Travers, 11.5.1857.

³⁶ *KWT Gazette*, 11.4.1857.

³⁷ CA, GH8/31 : Memorial of the Merchants and Importers...

The article indicated that, although in certain aspects East London was the cheaper port, the exorbitant freight and insurance charges made it advantageous to import goods through Algoa Bay rather than through East London, despite the extra land distance entailed.³⁸

It was not that the merchants at East London were unwilling to establish a private landing company, especially after 1857 when the arrival of the German immigrants made it more viable.³⁹ The mouth of the Buffalo River, however, was not sufficiently wide to allow for the operation of two warps⁴⁰ and two strings of surfboats and the Commissariat consistently refused to allow private enterprise to make use of military equipment and warps. The High Commissioner, furthermore, had no wish to see the Surf-Boat Establishment taken out of military control at that moment as its essential value was to meet military ends. Sir George Grey stated that it was better that an establishment upon which the supplies of "so considerable an army so largely — in fact, mainly depends — should still be in the hands of the military authorities".⁴¹

The High Commissioner's reluctance to allow the Surf-Boat Establishment to be controlled by any body other than the military is understandable. East London existed primarily as a supply route to the frontier forces. Since 1846, two lengthy and costly frontier wars had been fought in rapid succession, and the Xhosa had participated in the Cattle Killings of 1856 — 1857. Although modern historians and anthropologists may view these killings in terms of moral protest and national sacrifice,⁴² government officials at the time believed it to be the possible advent of yet another frontier war.⁴³ By 1857, therefore, the need to maintain the Surf-Boat Establishment in military hands had in no way diminished since its inception in 1847.

Although Grey was willing to encourage the establishment of private companies to undertake the landing of stores at the port, he was not prepared to allow a private Surf-Boat Establishment to replace the Government one.⁴⁴ Indeed,

"Fort Glamorgan, now East London." (Water-colour by Major Edward Rooper, Resident Magistrate for East London, January 1849-May 1850).

PHOTOCOPYED BY: AFRICANA MUSEUM, JOHANNESBURG

the creation of the first private landing company, the East London Landing and Shipping Company, took place only in June 1872 and then, strangely enough, its headquarters were in King William's Town and not East London.⁴⁵

LOST CUSTOMS REVENUE

The enormity of the trade lost to East London's merchants becomes apparent when the actual customs figures are examined. As early as January 1854 the Sub-Collector of Customs at East London submitted an estimate of the over-land trade to British Kaffraria. This revealed that the value of imports for 1853 had amounted to approximately £52 300, on which the duty lost to British Kaffraria was £3 922/10/0.⁴⁶ In a separate estimate, the Controller of Customs in Cape Town calculated that the duty on goods reshipped to British Kaffraria from Cape Town and Port Elizabeth during 1853 had amounted to £4 423/13/4 in lost revenue.⁴⁷

These two estimates do not, in fact, reveal the full extent of the trade lost to East London as neither the Cape nor the British Kaffrarian Governments had accurate trade records. The Cape Town Collector had been forced to make his calculation from the several shippers in Cape Town and Port Elizabeth, whereas the Sub-Collector at East London had acquired

³⁸ *Graham's Town Journal*, 24.4.1852.

³⁹ CA, GH8/31 : Memorial of the Merchants and Importers...

⁴⁰ In 1847 the Commissariat laid down warps to assist the surfboats when entering the Buffalo River mouth. The ropes were secured on the western bank of the river and fastened to a buoy anchored some distance offshore. The surfboats were then able to guide themselves into the river.

⁴¹ CA, BK378 : Schedule 438, 27.4.1857. (The High Commissioner's comment is scribbled in the margin). See also TANKARD, *East London*, p.81.

⁴² See for instance E. MOORCROFT, *Theories of millenarianism considered with reference to certain Southern African movements* (B.Litt., Oxford University, 1967), pp.96-124.

⁴³ CA, GH20/2/1 (No. 294) : J. Maclean — Sir George Grey, 25.3.1857.

⁴⁴ CA, BK2 : Travers — J. Maclean, 13.5.1857; BK380 : Schedule 29, 28.3.1859.

⁴⁵ *KWT Gazette*, 26.6.1872.

⁴⁶ CA, BK64 : M. Jennings — J. Maclean, 16.1.1854.

⁴⁷ CA, GH8/24 : Field — Colonial Secretary, 9.2.1854.



his information from the merchants at the port and at King William's Town. He, however, confessed that he had found it difficult to arrive at an absolute figure since their account-keeping was so "exceedingly novel and diversified".

Because the British Kaffrarian officials were so outraged at the loss of their customs revenue to the Cape Colony, a plan was formulated to compensate the territory. At that stage Sir George Grey was negotiating with the British Government for a grant of £45 000 to finance his acculturation schemes for British Kaffraria. The Colonial Office offered him £40 000 on condition that the Cape Colony put up the further £5 000.⁴⁸ Grey did this by rechannelling the British Kaffrarian customs duties, and so he was able to avoid approaching the Cape Parliament for its consent. The plan did not make restitution to the East London merchants for their losses, although it pleased the British Kaffrarian officials.

UNRELIABLE SHIPPING

By 1866 a new problem was confounding East London's hopes of becoming the regular port to serve British Kaffraria and the hinterland. The introduction of steam-ships meant that more traders were turning to the Union and Diamond Shipping Lines because they offered swift transport. The Union Line in particular was criticized for its sporadic calls on East London. It was reported that vessels failed to call even when passages had already been paid for. Moreover, on occasions when the vessels had indeed called, they had more than once proceeded on their voyages without landing passengers or cargo.⁴⁹

The commanders of the Union Line apparently did much as they pleased. In 1867 the editor of the *King William's Town Gazette* wrote:

When they were not in the humour to call at East London, they have steamed past within gun-shot, deigning only to throw up a rocket, or signalling 'no time to wait'; and through their capriciousness passengers have not unfrequently been woefully disappointed and put to no end of expense, by being obliged to wait there for the next steamer with no better result, and ultimately make a long overland journey to Port Elizabeth.⁵⁰

Furthermore, since the Union Line was due to call only once a month, many of the merchants who received their merchandise fortnightly preferred to transport it overland from Port Elizabeth and so obtain a more frequent service.⁵¹

EAST LONDON'S CHANGE OF FORTUNE

The change in East London's fortunes occurred suddenly and dramatically. Trade statistics for the year 1873 indicate an increase in total imports of over 1 500% compared to 1869, and the figures for each successive year from 1869 to 1873 show a substantial increase over those of the previous year.⁵² On 10 February 1873 the editor of the *King William's Town Gazette* devoted a column to this "extraordinary increase". He stated:

No port in the Colony can point to so proportionately large an increase, and although we can hardly expect the business this year to be as large as that of last, owing to the depressed state of the Diamond Fields, and the decrease in the consumption there, still we may reasonably look to see the returns of 1873...just doubling those of the past twelve months.

The primary reason for this sudden escalation in trade

through East London was the discovery of diamonds in Griqualand-West which created a new and valuable inland market. Of all the Cape ports, East London was best suited both geographically and climatically to handle the Diamond Fields trade. Not only was the trade route from East London to the Diamond Fields significantly shorter than from any other harbour in Southern Africa,⁵³ but the whole line of road provided better pastures than the roads from either Cape Town or Port Elizabeth. Since there were as yet no railways to link the ports with the Diamond Fields, grazing was a crucial factor.

Moreover, because of the upswing in East London's trade, transport through British Kaffraria was more readily available and cheaper than that from Port Elizabeth. By February 1872 it was reported that even Port Elizabeth merchants had begun to ship "a very considerable amount of goods" to East London for transport to the Diamond Fields.⁵⁴

A number of other factors were also linked to the upswing in the East London trade. From 1865 continual advertising in the local newspapers was pointing out the convenience of the East London route.⁵⁵ Besides, with the annexation of British Kaffraria to the Cape Colony in 1866, the collection of customs at East London had become normalized.

Of crucial importance as well was the fact that, although the Surf-Boat Establishment was still in the hands of the government until 1872, its operations had improved markedly. A considerable amount of time was saved by importing through East London, since goods from Port Elizabeth were taking between ten days to a month to reach King William's Town, the delay on the overland route being occasioned mainly by bad roads and flooded rivers.⁵⁶

CONCLUSION

A series of political factors had prevented East London from rising to its natural position as the leading port for British Kaffraria and its hinterland. Since trade was the port's primary source of income, this strangulation of her economy could only lead to truncated growth.

East London's commerce expanded rapidly once the restrictions had been lifted and trade was allowed to follow its natural course. However, as the railway development got underway in the early 1870s, it became clear that this would be yet another challenge to East London's natural advantage of good grazing and an adequate water supply along the trade route to the interior. The lifting of trade restrictions had therefore come too late to allow East London to become a serious competitor to the now long-established port at Algoa Bay. □

⁴⁸ J. RUTHERFORD, *Sir George Grey, 1812-1898* (London, 1961), p.313.

⁴⁹ *KWT Gazette*, 6.2.1865.

⁵⁰ *Ibid.*, 4.2.1867.

⁵¹ *Ibid.*, 3.4.1871.

Year	Imports(£)	Exports(£)
1869	21 496	27 899
1870	51 496	33 169
1871	96 144	69 234
1872	299 682	142 343
1873	338 687	79 492

(See Blue Books of the Colony of the Cape of Good Hope for the relevant years).

⁵³ *KWT Gazette*, 22.8.1870.

⁵⁴ *Ibid.*, 21.2.1872.

⁵⁵ See, for instance, the numerous advertisements in the *King William's Town Gazette* during 1870.

⁵⁶ *KWT Gazette*, 19.1.1870 and 6.4.1870.