HORST DRECHSLER, Südwestafrika unter deutscher Kolonialherrschaft. Die großen Land- und Minengesellschaften (1885-1914), Beiträge zur Kolonial- und Überseegeschichte, 63 (Stuttgart: Steiner, 1995), 360 pp. ISBN 3 515 06689 6. DM 96.00

In 1966 Horst Drechsler published the first part of his study of German South West Africa under German colonial rule under the subtitle Der Kampf der Herero und Nama gegen den deutschen Imperialismus, 1884-1915. This was a highly acclaimed piece of work which was translated into a number of languages, including English, the English language volume bearing the title Let us Die Fighting. He has now, thirty years later, published a companion volume on the role of the great Land and Mining Companies in the colony, which is well up to the standard of its predecessor. That he has been able to produce a work of this quality, drawing, as it does, upon such a wide range of documents, is very much the consequence of the ending of the Cold War and the reunification of Germany. The original version of the book was based more narrowly on the Reichskolonialamt documents in the Potsdam Archives, but Drechsler was determined to take advantage of the new freedom of travel available to him, and has exploited archival resources well beyond the frontiers of the old GDR. Thus the original work now has incorporated into it material from the political files of the Auswärtiges Amt in the Bonn Archives; the papers of Solf, Dernburg, Leutwein, and Seitz held in the Bundesarchiv in Koblenz; the records of the Colonial Office and the Board of Trade held at the Public Record Office, London; the Cawston and Rhodes papers at Rhodes House, Oxford; and, finally, the National Archives of Namibia in Windhoek.

When it was decided in the 1880s that Germany should become a colonial power, the question arose as to how the costs of such activity should be borne. Should the state be responsible, or should the responsibility lie with private companies? Bismarck, who had observed British practice, chose the latter alternative, so that colonies could be acquired without burdening the state financially, in respect not only of their acquisition, but also of their administration and development. The colonial acquisitions of German businessmen, in areas unclaimed by other powers, would, therefore, be placed under the protection of the Reich and their companies would then receive Freibriefe, or Charters, after the style of the British Chartered Companies, enabling them to administer these territories independently with sovereign rights.
For a number of reasons, not least the impecunity of F. A. E. Lüderitz, this process did not run according to plan in South West Africa. Nevertheless, when it was founded in 1885, it was fully intended that the Deutsche Kolonialgesellschaft für Südwestafrika (DKGfSWA) should eventually become a Chartered Company. In 1887, when it appeared that gold had been found in the territory, there was some speculation that the DKGfSWA might at last receive a Charter, but it did not and, thereafter, the issue never again arose. The Kolonialabteilung of the Auswärtiges Amt eventually settled for Land and Mining Companies, without sovereign rights, which as far as possible should be of German origin, as a means of developing the colony. It was upon such companies, the DKGfSWA, which until 1892 possessed a monopoly in South West Africa, and seven others, that the future of the colony was to depend, and it is an examination of the successes and failures of these organizations to which this book is devoted.

The fortunes of the companies are examined individually in three main chapters which correspond to the periodization that Drechsler has imposed upon his subject. The first of these deals with the period of the monopoly enjoyed by the DKGfSWA from 1885 to 1892; the second with the years of the rise of British Land and Mining Companies from 1892 to 1900; and the third the years 1900 to 1914 that resulted in ‘dividends at last’, but for only three of the eight companies. These three chapters are sandwiched between an excellent and lucid introduction, which surveys the previous writing on the subject, ranging from legal studies of the nature of the Landgesellschaften to doctoral theses, and a forty-three page conclusion that summarizes and integrates Drechsler’s main findings and places them into a broader framework.

Although the Reich government would much have preferred the exploitation of German South West Africa to have been undertaken by German companies and capital, this ambition was frustrated by the fact that German capital was unavailable for investment in South West Africa. From its inception the DKGfSWA was undercapitalized and fell rapidly into immobilism, added to which there were disagreements between the company and the Reich as to who should pay the costs of administration. This was a situation that could not continue. Ultimately Bismarck’s successor, Caprivi, decided to allow British capital into South West Africa on the basis that it was better to have that than none at all. On 3 August 1892 Caprivi permitted the grant of the
Damaraland concession in the north of the colony to Julius Scharlach and Carl Wichman, who quickly transferred it to the English South West Africa Company, registered in London fifteen days later. In Germany this created an uproar and accusations of a sell-out of German South West Africa. Nevertheless, British and South African capital were to dominate in South West Africa throughout the 1890s, which, during the period of Cecil Rhodes’s premiership in Cape Colony from 1890 to 1896, carried with it an attendant danger in political respects. This danger was only removed when the failure of the Jameson Raid brought Rhodes’s ambitious imperialism to an abrupt end. Thereafter the South West Africa Company functioned as a normal trading company without political ambitions.

At the time of its foundation the South West Africa Company contemplated the start of considerable activity in the field of railway construction and mining, but after some preparatory work did nothing. It confined itself, thereafter, during the 1890s, to the founding of daughter companies, such as the Hanseatische Gesellschaft (1893), and the Kaoko-Gesellschaft (1895), and the acquisition in 1897 of the Kharaskhoma-Syndikat, which had by then become the South African Territories Company. This considerably extended the territory and mining rights of the South West Africa Company. By the turn of the century, however, the Company had to consider the commencement of mining operations, or lose its concession. In order to avoid the responsibility for having to do this itself, the Company, with the assistance of Adolph von Hansemann of the Disconto-Gesellschaft, founded a German daughter company that would exploit the rich copper deposits of Tsumeb in the Otavi Territory. This was the Otavi-Minen und Eisenbahn-Gesellschaft, or OMEG, in which the South West Africa Company held 55 per cent of the shares. By 1907/8 it was able to start paying dividends, which by the outbreak of war in 1914 totalled some 20.5 million marks. The success of OMEG allowed the South West Africa Company to declare a regular dividend from 1908 onwards. The basis of its success lay, however, not in productive activity, but in the sale of the shares of other companies and the investment of the proceeds in fixed-interest bearing securities.

The third company that proved capable of paying dividends was the DKGfSWA. In 1908 diamonds were at last found in the neighbourhood of Lüderitz Bay in what was the territory of the Company, although it would be subject from 1 October of that year to the so-called
Bergrezeß, which would guarantee freedom of prospecting rights. This difficulty was overcome by the State Secretary of the Reich Colonial Office, Bernhard Dernburg, who confirmed the Company in its former rights. He did this for fiscal reasons and from an inclination to favour the centralization of diamond production. The discovery of diamonds enabled the DKGfSWA to pay very substantial dividends indeed. By 1914 some 6 million marks had been paid out.

It was through the various companies that the indigenous population of South West Africa experienced German rule, and Drechsler reveals the degree to which by 1895 men on the spot were increasingly contemplating a violent solution of the Herero problem. The Damaraland concession deprived the Herero of their northern grazing lands and very little compassion was demonstrated by the company in evicting them. By 1895 it was clear to the Kolonialabteilung in Berlin that the more punitive attitude of their senior official in the colony, Theodor Leutwein, who would later become Governor, was the consequence of pressure by several of the companies. Leutwein worked in close collaboration with Georg Hartmann, General Manager of the South West Africa Company, and shared his views. Significantly, the latter prepared a secret report for the South West Africa Company which was in fact an outline plan for a war against the Hereros. This reveals that Hartmann’s view of the Herero problem went far beyond the evacuation of concessions. He wrote: ‘Only when these arrogant tribes ... lie smashed upon the ground will the Protected Territory be able to experience a truly peaceful development’ (p. 293). Julius Scharlach, a major figure in the history of South West Africa and a leading advocate of the colonizing role of the companies, was even more explicit: ‘Colonization, as all history shows, does not signify the civilization of the natives, but their repression and annihilation’ (p. 325). The consequences involved in the application of Hartmann’s rigorous remedies for an adequate supply of labour in South West Africa were spelled out by the official Golinelli who advised that a peaceful approach was more likely to make the native population amenable to work in the mines and on the railways. As Drechsler points out, the knowledge that a colony without a substantial labour force is almost worthless came too late after the Herero war.

It is difficult to disagree with the conclusions at the end of this splendid and lucid book. Given that at the end of the nineteenth century colonies were regarded as essential to Great Power status, and that
many in Germany wanted them for a variety of reasons, the fact of the matter is that without the Land and Mining Companies Germany would never have entered the ranks of the colonial powers. This is as true of South West Africa as it is of anywhere else. To that degree they were, therefore, successful. South West Africa is, however, a poor land and it was difficult for all the companies to prove themselves commercially viable. What sustained them all was the hope of discovering diamonds or gold. In the end, only three companies were successful in showing a profit. Finally, the companies did little for what is today Namibia. For over twenty years a dispute continued as to who should pay the costs of administration and infrastructural development, the Reich government or the companies. As a result neither contributed much. Only with the discovery of diamonds in 1908 and the start of dividend payments by OMEG did the situation begin to change. South West Africa, therefore, enjoyed the benefits of German rule only in the six years before the outbreak of war in 1914.