

THE ECONOMIC CONSEQUENCES OF THE HAITIAN
REVOLUTION

by

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Haiti is among the poorest nations in the world and it is the single poorest country in the western hemisphere. Yet, Haiti once possessed the exact opposite connotation. Haiti was once the French colony of Saint-Domingue, the wealthiest, most profitable colony in the world. Saint-Domingue was France's most prized possession and it became the prime destination for fortune seeking Frenchmen. However, the vast majority of people did not benefit from the colony's robust economy, as Saint-Domingue became an economic powerhouse as a plantation economy based on slave labor.

In 1791, slaves and free blacks rebelled against their masters and the colonial administrators in order to claim freedom and equal rights for themselves. The rebel forces defeated the French army in 1803, which made the Haitian Revolution the first successful slave revolt. Thus, on January 1, 1804, the rebels declared independence and created the modern nation of Haiti, the first black republic. The Haitian Revolution and the subsequent declaration of independence caused an economic decline that has left Haiti mired in poverty.

Several crucial factors caused this decline. First, the warfare of the Haitian Revolution destroyed the capital and infrastructure of the economy. Second, Haiti lacked diplomatic and trade relations with other nations. Third, Haiti lacked investment, both foreign and domestic investment. Fourth, Haiti moved toward subsistence farming and away from plantation agriculture. Finally, reparation payments to France left the country deeply indebted. Haiti was unable to preserve or rebuild the wealth that Saint-Domingue once had, which made the country one of the poorest in the world today.

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Chapter 1: Introduction and Historical Summary

Haitians have some of the lowest standards of living anywhere in the world. Such living standards are incomparable to those throughout the developed world. Many Haitians lack adequate access to basic necessities such as food, water, electricity, plumbing, and education of any kind. It is difficult to reconcile the modern condition of Haiti with its past as a colony that built a reputation for wealth and prestige. Nonetheless, Haiti has had a tragic and tumultuous history that few countries can match. I want to determine how and why a country could possibly suffer such a massive decline in wealth and power relative to the rest of the world. This thesis should discover the events and policies most harmful to the Haitian economy. I hope to identify Haiti's key mistakes and what it should have done differently, in order to identify tactics countries should pursue in the future.

Ideally, this thesis should reveal the best policies for poor countries to adopt in order to successfully develop their economies and raise standards of living worldwide. Wealthy countries need incentives to invest in poor countries, but poor countries must effectively attract investment themselves. Similarly, this thesis will also reveal requirements for wealthy countries to remain wealthy. Avoiding further declines among wealthy nations is just as important as improving poor nations. This thesis will identify how internal and external actors created a poor country from wealthy origins, in order to avoid repeating past mistakes.

The Spaniards were the first to colonize the island of Hispaniola in 1492. Frenchmen soon settled on the western portion of the island, which became the colony of Saint-Domingue. With increased investment and immigration throughout the 18th

century, Saint-Domingue became the most productive colony in the 1780s. Having been denied the rights associated with the French Revolution, the slaves and free blacks rebelled against the French colonial government. Britain and Spain invaded Saint-Domingue during the French Revolutionary Wars. The rebel slaves in Saint-Domingue formed an initial alliance with Spain, but then switched sides and joined the French Republic after France abolished slavery. First, the rebel slaves defeated the British and Spanish forces. Then they defeated Napoleon's troops after he sent an expedition to regain control of the colony and reinstate slavery, which prompted independence.

Haiti achieved independence in 1804. The first ruler was Jean-Jacques Dessalines, who was assassinated in 1806. In 1807, Haiti split in half. Henry Christophe ruled the north and Alexander Petion ruled the south. Petion began a program of land distribution to soldiers and the lower-classes so that they could become small-scale farmers, while Henry Christophe retained the plantation system. Jean-Pierre Boyer, Petion's successor in the south, reunited Haiti in 1820. Boyer agreed to pay an indemnity to France in exchange for international recognition and trade rights. In 1843, Boyer fled to Jamaica to avoid assassination. He was the last ruler of Haiti who had fought in the Haitian Revolution.

Haiti was in shambles after years of warfare destroyed the capital base. After the destruction of the land and property of the plantation system, Haiti needed investment in order to rebuild its economy and develop as a nation. Unfortunately, there was insufficient wealth among Haitians to promote domestic investment. Haiti prohibited foreign investment and foreign property ownership, but foreigners were uninterested in investing in this nation after a slave revolt. Due to aversion towards Haiti, western

nations boycotted Haiti and placed an embargo upon the nation. Haiti had no trade relations, diplomatic relations, or official recognition, so Haiti could not access markets for its products. Due to these factors, as well as the desires of the ex-slaves, the economy began to focus on subsistence farming rather than plantation agriculture. The ex-slaves dreamed of owning their own land because they associated proprietorship with freedom and they did not share in the wealth of the plantation system. The ruling classes attempted to use restrictive labor practices to preserve the plantations, but were unable to do so. Finally, the indemnity payments to France for losses during the war created a horrible fiscal policy. It drained the nation of the few resources it possessed. Reparations payments to France dominated the budget leaving little available for productive investments that could promote development.

Chapter 2: Development and Growth of the Colony of Saint-Domingue

Christopher Columbus arrived on Hispaniola during his voyage to the new world in 1492. Upon arrival, he encountered the Tainos, the indigenous population. The Tainos owned gold which they wore as jewelry, so the Spaniards settled on the eastern portion of the island and formed the colony of Santo Domingo. The Spaniards subjected the Tainos to a forced labor system in order to take the precious metals from the colony. After only a few decades, diseases, murder, and a brutal labor system reduced the indigenous population from hundreds of thousands to almost nothing. In response to the labor shortage, the Spaniards began importing African slaves. As the 16th century progressed, the Spaniards introduced sugar to the island and developed the first plantations. Although the Spaniards were never completely committed to a slave-based, plantation economy, they created the economic blueprint that later defined the French colony of Saint-Domingue. The pursuit of gold and agriculture on Hispaniola was not as fruitful as they hoped, so the Spaniards de-emphasized Santo Domingo in favor of more lucrative ventures in their new colonies of Mexico and Peru.

Although Spanish colonists owned slaves in the colony of Santo Domingo, a stratified, exploitive economy was never a fundamental aspect of Santo Domingo. Santo Domingo always had a free population in the majority and the colony was much more balanced racially. Furthermore, Santo Domingo developed into an economy based on ranching, farming, and livestock, as opposed to plantation agriculture (Dubois 16). While Saint-Domingue exported cash crops, the leading exports of the Spanish colony were hides and animal skins. These fundamental differences in the structures of the two colonies played a major role in the development of Haiti and the Dominican Republic in

the subsequent centuries. For much of their early histories, the Dominican Republic/Santo Domingo was poorer and weaker than Haiti/Saint-Domingue. In the second half of the 19th century, the Dominican Republic began to attract investors from Europe and the U.S. (Diamond 336). They used the money to develop a market, export economy, of cacao, tobacco, and coffee, and later sugar. Essentially, the Dominican Republic surpassed Haiti by doing exactly what Saint-Domingue did to achieve wealth in the first place. An important issue is that the Dominicans were supposedly more European and more white than the people of Haiti. The Dominicans were the descendants of Spanish colonists, whereas Haitians were the descendants of African slaves. As a result, Europeans were more inclined to support the former (Diamond 336).

The Caribbean Sea was home to many pirates and privateers in the 16th and 17th centuries. These pirates attacked the merchants and trade ships that sailed among the Caribbean islands. Yet, the life of piracy was unfulfilling, which prompted many of these pirates to abandon their craft in favor of permanent settlement on Hispaniola. The Spanish colonists of Santo Domingo were largely concentrated on the eastern portion of the island, so the former pirates settled on the abandoned western third. Many of these settlers were French, which provided the French origin of what would become the colony of Saint-Domingue. Although the entire island was a Spanish colony at the time, the Spaniards ignored these interlopers because they had already de-emphasized Santo Domingo and the territory was unpopulated. After the French settlement began to grow and attract immigrants, Saint-Domingue officially became a French colony in 1697 after Spain ceded it to France in the Treaty of Ryswick.

The initial residents of Saint-Domingue in the early 17th century were farmers and hunters. Some residents grew their own provisions, while others hunted the pigs and cattle that escaped into the wild from the Spanish colony. As time progressed, the colonists purchased plots of land and began growing cash crops. The initial product of the colony was tobacco. Tobacco was cheap and easy to grow. It “required little initial investment and could turn a modest profit” (Dubois 18). “Small-scale tobacco production (i.e., individually and family–owned farms) predominated in Saint-Domingue until 1680,” when indigo replaced it (Dubois 18).

Indigo production replaced tobacco because it was more profitable. Indigo production “involved a more sophisticated processing procedure that turned the harvested grasses into a blue dye, and so required a bit more capital” than tobacco (Dubois 18). Initial plantations had white indentured servants and African slaves working together, but white colonists gave labor strict racial divisions with the introduction of sugar at the end of the 17th century. Sugar quickly overtook indigo as the colony’s staple product. Frenchmen considered slavery a necessity for sugar production, so sugar production prompted the drastic racial imbalance that later plagued Saint-Domingue. Sugar became the defining aspect of the economy as production thrived, which cemented the plantation structure of the colony.

Following the Treaty of Ryswick in 1697, it only took a century for Saint-Domingue to grow from a remote Caribbean outpost into a robust economy at the heart of Atlantic commerce. “Never for centuries had the western world known such economic progress” (James 45). The colony grew quickly in the 18th century after it developed a plantation economy. As the number of plantations grew, the population and

wealth of the colony grew as well. According to CLR James, “on no portion of the globe did its surface in proportion to its dimensions yield so much wealth as the colony of San Domingo” (James 46).

The exportation of valuable cash crops drove the economy. Planters produced tobacco, cotton, spices, indigo, coffee, and sugar, with particular emphasis on the latter two. Saint-Domingue was the world’s leading producer of both coffee and sugar (Dubois 21). The colony produced 60% of the world’s coffee and 50% of the world’s sugar (Trouillot 331; Willis). Saint-Domingue became the wealthiest and most profitable colony in the world, but such prosperity was not self-perpetuating following the Haitian Revolution.

Sugar production began at the end of the 17th century, and grew rapidly throughout the next century. The development of the sugar industry prompted tremendous capital investments in colonial plantations. Saint-Domingue received the necessary investment capital to build the infrastructure and real property of the plantation system, enabling an advanced economy for the time. In the year 1700, Saint-Domingue had only 18 sugar plantations (Dubois 19). A year later, there were 35 sugar plantations, and by 1704, there were 120 plantations. The superiority of the Northern Province developed quickly as well. In 1713, of the 138 sugar plantations throughout Saint-Domingue, 77 of them were in the Northern Province. At the time, all of these plantations were still producing raw sugar (Dubois 19).

The subsequent years of the sugar industry saw an increase in the number of plantations and technological advancement in the industry. Planters began to refine their sugar output. “Bigger profits were available to those who could afford technology to

purify sugar on-site, removing the molasses” in the process (Dubois 19). The new technologies and new investments enabled them to increase profits. The technologically advanced Northern Province led that endeavor. In 1730, the Northern Province had only 5 sugar plantations that could remove molasses, but by 1751, there were 182 plantations that could purify sugar, and only 124 plantations that could not (Dubois 19). By 1754, there were 599 sugar plantations throughout the colony (James 45). By this point, Saint-Domingue was truly developing into an economic power. In fact, “economists estimate that in the 1750s Haiti provided as much as 50% of the Gross National Product of France” (Corbett: “Why is Haiti so Poor?”). The next decade commenced a coffee boom that reinforced the powerful agricultural economy.

The shift in agricultural production from food production to tobacco, then to indigo, and then to sugar represents an upward progression from subsistence farming and minimally profitable cash crops to complex agricultural production with immense profits (Dubois 19). Each stage of development was an incremental advancement upwards in terms of the nature of the production and the profits available. Tobacco and indigo plantations were the smallest plantations, the easiest to start, and required the smallest initial investment. Coffee plantations were larger than the former, harder to start, more complex, and required a larger initial investment, but offered higher profits. Sugar production was the most advanced and the most profitable.

The wealth and production of the colony grew as it progressed from low value crop production to high value crop production. Saint-Domingue became more productive economically as it shifted to more advanced production methods. The colony reached its peak economically when it focused on the most sophisticated crops, sugar

and coffee. Each round of investment in more complex agricultural production increased development and productivity. Subsistence farming and tobacco production offered little wealth and the colony only built wealth by abandoning those methods.

The sugar plantations of Saint-Domingue were large industrial enterprises that required a substantial initial investment. “A sugar plantation was a factory set in a field” (Pares 23). “More than any other kind of plantation in the West Indies, sugar production combined industry and agriculture” (Pares 23). Because they used advanced equipment, they required a great labor force with a complex division of labor and highly skilled workers. They used mills, aqueducts, and advanced irrigation systems in order to provide economies of scale (McClellan 65-72). “Size produced economies in agricultural production, especially in sugar. One needed a certain level of production to use a sugar mill economically, and no sugar plantation in Saint-Domingue could make money without its own mill” (King 146). As the number of sugar plantations grew in the 18th century, their capabilities advanced as well. The development of sugar refining technology in order to produce more profitable refined sugar is one example of how planters were able to innovate and create more valuable processes that increased output and productivity.

Sugar plantations operated with careful precision and regimented processes. “The sugar plantations demanded an exacting and ceaseless labor” (James 10). The operation of a plantation was a complex endeavor that planters, supervisors, and slaves navigated on a daily basis. “The majority of slaves spent their entire lives doing harsh and difficult labor in the fields” (Dubois 45). The work was exhausting and dangerous, so managers divided the labor among various trained slaves. The slaves were organized

into specific groups under the supervision of a driver, who was a slave with authority to administer tasks. Some slaves grew provisions, fertilized planted cane, or trimmed and cut the cane stalks (Dubois 45). The strongest slaves dug canals, tilled the soil, planted the sugarcane, and harvested the cane when ready (Dubois 45). Other slaves made the storage barrels, transported the product, crushed the cane, and boiled the juice (Dubois 46). The slaves performed this backbreaking labor from dawn to dusk in order to produce as much output as possible.

Sugarcane could be planted at any time and it would grow at any time. However, it required careful attention for the first few months after it was planted. After a year and a half, it would be cut and a crop would immediately be planted in its place. After a slave cut the sugar, he had to immediately rush it to a mill in order to prevent the crop from fermenting into acid (James 10). A mill crushed the harvested sugarcane in order to release its juice (Dubois 45). Slaves had to manually feed the stalks into the mill, without letting their arm get sucked into the crusher. Another slave then boiled the juice over a fire, in order to produce the sugar. Some of the most skilled and most valuable slaves conducted this boiling process (Dubois 46). During the harvest season, this process went on continuously during the night.

The slaves had to be very careful to preserve the crop. They had to follow strict procedures in order to produce a marketable good. This necessitated their complete focus and the application of their entire skill set. Scholars tend to describe slaves as unskilled, uneducated labors, but that was not the case. They were incredibly educated and incredibly skilled, albeit not in the traditional sense of education. Richard Pares, in *Merchants and Planters*, acknowledges that the slaves were a skilled labor force, not an

unskilled labor force (Pares 24). They were “an army of specialists” and “because of their skill, they had a high value” (Pares 24). In fact, planters had to constantly replenish their slave force, since the “death, illness, or flight of slaves with specialized knowledge” was a “disaster to the organization’s efficiency” (King 146). Their skills enabled the plantations to function productively, which resulted in Saint-Domingue’s economic superiority.

Skilled labor is necessary for an advanced economy. That was evident in Saint-Domingue and it is evident within advanced economies today. Although Haiti is not an advanced economy today, Saint-Domingue was as advanced as any at the time. The fact that the workers were slaves does not eliminate their skill set. They had unique skills which they used productively. Upon emancipation, former slaves could have used their skills to develop the new nation of Haiti. Skilled labor commands higher wages since it creates greater value for society. “The greatest improvements in the productive powers of labor, and the greater part of the skill, dexterity, and judgement, with which it is anywhere directed, or applied, seem to have been the effects of the division of labor” (Smith 5). The division of labor among skilled workers increases output for society as a whole, which leaves higher residual value for the individual. If the former slaves sought to maximize the value of their labor, they could have used their plantation management skills to revive the plantation economy after independence. A plantation economy within the new nation of Haiti would have allowed the freedmen to obtain higher value because the increased output of their labor would have raised the value of their services.

A defining characteristic of Saint-Domingue was the fact that work had strict racial connotations. In the initial years of the colony, whites and blacks worked together

on plantations. However, following the development of sugar production, “labor in the Caribbean had been deliberately and obsessively racialized” (Dubois 19). With the onset of the 18th century, white colonists sought to preserve superiority by equating plantation labor with black slavery. Plantation labor became a defining characteristic for the race-based and class-based caste system that formed the foundation of Saint-Domingue society. However, such sociological constructs would not necessarily exist within Haiti.

Black people created Haiti and they governed it following independence. The country was founded on the principle that all Haitians are legally black, so as to avoid the racial strife of Saint-Domingue (1805 Constitution, quoted in Dubois 300). This law sought to prevent institutionalized racism from reappearing. This nation was the first black republic and it sought racial equality. Workers could have expected that black landowners would not abuse or discriminate against their black employees, and that without the cruelty and torture of the white masters, plantation life would improve. However, the assumptions and connotations of plantation labor as inferior persisted, even though such connotations were based on the prejudicial ideologies of Saint-Domingue. The plantation itself remained a symbol of domination and control. Plantation labor seemed inherently incompatible with free labor, even though owners could no longer use it to establish a racial hierarchy. Workers continued to associate plantation labor as a sign of slavery and of lower-class status, even with black rule of the nation.

Sugar attracted people to the colony of Saint-Domingue because sugar was the foundation of society. Frenchmen followed their dreams of owning sugar plantations

and generating profits by moving across the Atlantic to the colony. Saint-Domingue had a reputation for creating wealth, so people pursued their dreams diligently. Some of the owners were absentee owners, meaning that they lived in France. This was particularly true of many of the largest plantations. However, many planters were highly leveraged as they often incurred large debts to buy plantations. Some plantations were foreclosed on and became property of French banks because the planters couldn't manage the debt level.

Residents of the colonial period wanted their own plantations, but that goal was hard to achieve because there was always excessive demand (Dubois 20). The unmet demand to invest raises the question of should they use joint-stock companies or corporations in order to start or buy plantations? That would allow interested parties to make the investments they desired. By raising equity capital to invest in plantations together, it would spread the risk and eliminate the need for debt. Joint-stock companies provided investment opportunities for people who couldn't afford the massive initial investment of a plantation, which would make sugar profits more accessible and widely available. Saint-Domingue could have done this to meet demand, but it was a more pressing issue for Haiti because Haiti badly needed investment to rebuild a plantation economy.

Opportunities to own plantations were only available to the wealthiest individuals, which was an unnecessary limitation. Opening up potential investment to all Haitians, Americans, and Europeans would have created greater growth opportunities. Haitians needed capital to make such investments. There was tremendous demand to invest in plantations prior to the Revolution and that should have resumed

afterwards. Despite the radical changes that Haiti underwent, some people would have perceived an opportunity to claim their share of the plantation industry. Saint-Domingue was previously the most profitable colony, so Haiti should have been able to expand the pool of prospective investors. Creating corporations to invest in plantations could have accomplished that goal. It also would have enabled the workers to benefit from the plantation system. If workers could have purchased ownership of plantation companies, the workers would have shared in the wealth that plantations created. Haitians needed to enable the possibility of investment, since demand to own sugar plantations was always strong.

Coffee was the final major crop to be introduced into Saint-Domingue. The value of coffee increased in the second half of the 18th century. After the conclusion of the Seven Years' War in 1763, there was a boom in coffee production within Saint-Domingue (Trouillot 332). Between 1767 and 1789, coffee exports quadrupled in volume and sextupled in value (Trouillot 331). This information is shown in the following table (Trouillot 337):

Table 1: Saint-Domingue Coffee Production from 1755-1790

Year	1755	1764	1767	1774	1790
Weight (in pounds)	7,000,000	15,000,000	15,600,000	40,000,000	77,000,000

Coffee production also increased greatly measured in the currency of the Livre, as shown in Table 2 (Trouillot 337):

Table 2: Saint-Domingue Coffee Production Measured in Livres from 1767-1788

Year	1767	1783	1784	1787	1788
Value (in Livre currency)	12,000,000	48,800,000	48,800,000	71,500,000	71,500,000

Although coffee production developed after sugar, it soon joined sugar as the two most important crops. Coffee plantations were often larger and more expensive than tobacco or indigo plantations, but coffee could be grown on small plots of land, while sugar could not. There were also geographic differences between the two. Sugar was grown on the plains, while coffee could be grown in the mountainous regions, of which there are many (Trouillot 434). Planters couldn't grow sugar on the mountains, so mountainous areas were dominated by coffee production.

Saint-Domingue was a prejudicial regime. Whites discriminated against the people of color, even if the latter were free. Following the Haitian Revolution, there were two widely held views of Haiti. One was that black people should be enslaved due to inferiority. Second was that black people are unable or unwilling to work hard independently. The evidence before the Revolution contradicted these opinions. Prior to the war, there was a vibrant, entrepreneurial class of free blacks in the colony. They owned land, plantations, and slaves themselves. They were often very wealthy and much more powerful than the middle-class or lower-class whites.

There were many successful free blacks in Saint-Domingue, so they could be successful in Haiti as well. Since free blacks were diligent proprietors and responsibly managed their affairs in the colony, they proved that they were capable of managing a thriving economy. Haiti did not need the wealthiest whites who fled or died because black proprietors already had the necessary knowledge. The economy could have thrived in a black nation because black entrepreneurs had already proven their talents and skills to rebuild a strong economy.

Black proprietors rode the wave of the coffee boom to achieve greater power in society. There was strong correlation between coffee production and black entrepreneurial activity. Why did free blacks often favor coffee production? Coffee production began 50 years after the commencement of sugar production, and by that time, sugar was already firmly entrenched as the dominant crop. White colonists engaged in discriminatory acts that relegated black proprietors to undesirable areas. In Saint-Domingue, undesirable meant unproductive to sugar production. White planters owned the plains, the best available land for sugar production, and kept it amongst themselves, so black landowners were often unable to enter the sugar industry because they could only find land in the mountainous areas (Trouillot 352). Mountainous land was available since it was useless for sugar production. However, this had an unexpected side effect. In the middle of the 18th century, colonists discovered that coffee production was feasible in the colony and on mountainous areas in particular. Adapting to this development, free blacks simply used land they already owned to start coffee plantations (Trouillot 353). Thus, the wealth, power, and population of the free black class increased greatly as a result of the coffee boom (Trouillot 354).

Entrepreneurship was a core value among the free blacks of Saint-Domingue. They valued hard work and it produced results, since “it was important for them to make money and it was important for them to be seen making money” (King 143). “Luckily, as a group, free coloreds were pretty good at making money” (King 143). The free blacks were not speculators like many white colonists, but rather they responsibly built up their holdings and invested for the future (King 152). As a group, “their natural conservatism, particularly among the planter elite, made them less willing to plunge

deeply into debt as their white competitors” (King 150). Not only did they want to build wealth for the benefit of their posterity, but they also sought to improve the social status of their families. They were upwardly mobile and they sought to ensure the stability of their future success. Free black planters were among the wealthiest and most prominent colonists actually living in the colony, since many of the wealthiest plantation owners lived in France. The success and prominence of free black proprietors prior to the Haitian Revolution disproves the common argument at the time that the abolition of slavery and independence for Haiti were bad because blacks were unable or unwilling to work.

The colony was organized into three regions. There was the Northern Province, which was the wealthiest and most populous of the three regions. It was home to the prosperous North Plain, which bordered the northern Atlantic coast. The largest and most profitable plantations in the colony were clustered across the North Plain. “The northern plain, traversed by streams from the mountains, was an ideal place for sugar plantations” (Dubois 24). This province was the most technologically advanced of the three, so it produced the most refined sugar. It was also home to Cap Francais, the most important city of the colony. Cap Francais was a crucial port city that served as the economic and cultural center of the colony. “The port was fed by the thriving plantation region that surrounded it” (Dubois 24). In 1789, the Northern Province had 288 sugar plantations, the majority of which produced refined sugar. It also had 443 indigo plantations and over 2000 coffee plantations. (Saint-Mery 119). The Haitian Revolution began in the Northern Province and then spread around the colony.

The second province was the Western Province. The Western Province was the location of the capital city, Port-au-Prince. It was less wealthy, less populous, and less technologically advanced than the Northern Province. Mountain ranges separated the three regions, so colonists traveled and traded by sea. There were two crucial plains in this region. There was the Cul-de-Sac around Port-au-Prince and there was the Artibonite Plain by the port cities of Saint-Marc and Gonaives. In 1789, The Western Province had 314 sugar plantations. (Saint-Mery 717-723). However, many were smaller than those in the Northern Province and they produced raw sugar (Dubois 26). The Western Province also had over 1800 indigo plantations, over 500 cotton plantations, and more than 800 coffee plantations (Saint-Mery 717-723).

The third region was the Southern Province, which was the least wealthy, least populous, and least advanced area of the colony. It was the last area to be settled fully and it remained only sparsely populated. It was isolated from the rest of the colony and from Europe since it was outside the major Atlantic shipping lanes and mountain ranges cut it off by land. It had a close relationship with Jamaica, then a British colony, since the two were in close proximity. In fact, the indigo trade with Jamaica was an important aspect of this province's trade. The main plains were those around the cities of Les Cayes and Jeremie. Since it was relatively undeveloped, the Southern Province had only 191 sugar plantations, most of which produced unrefined sugar (Saint-Mery 1165-1167). It also had 300 coffee plantations and 900 indigo plantations (Saint-Mery 1165-1167).

Saint-Domingue was dedicated to producing goods for export. Because the colony focused on exporting cash crops, it had to import necessities. The wealthiest

colony in the world never had enough food for itself, so it had to import staples such as flour, corn, rice, fish, and beef from France and the United States (Dubois 33). The maintenance of stable trade was literally a matter of life and death. During the Seven Years' War, the British navy cut off supply lines to Saint-Domingue, which created famine, widespread death among colonists and slaves, and a temporary recession (James 45). Saint-Domingue did create wealth, but it implemented a process whereby they were dependent on others for food. That strategy worked well, most of the time. However, due to this flaw, it was of the utmost importance for the colony to maintain amiable international relationships.

Colonists did not worry about producing food because they could trade for it. Trade was a necessity that provided mutual benefits. Planters could create wealth for themselves by providing the market with the crops it desires, provided that they get food back in return. Saint-Domingue was the world's largest producer of coffee and sugar, producing 60% of the former and 50% of the latter, which it used to trade for its imports (Trouillot 331; Willis). Such dominance is a clear opportunity to provide value for partners. Saint-Domingue had absolute and competitive advantages in sugar and coffee, since the colony produced more than the rest of the world combined. Due to these advantages, it made sense to specialize, which is precisely what Saint-Domingue did.

If planters grew foodstuffs, they would forfeit the opportunity to grow valuable cash crops. On the other hand, the colony's trade partners in Europe and New England were unable to grow such cash crops in their non-tropical climates. Therefore, it was logical to specialize in order to create the most output for all parties involved through

gains from trade. Colonists specialized in cash crops, which they then traded. It was this trade that built wealth for the colony. They received the benefit of selling products that commanded value in the marketplace. The benefits from trade come from specialization gains. Saint-Domingue generated substantial profits by specializing in the valuable crops of coffee and sugar. Such trade provides benefits for both partners, provided that the relationships are maintained.

The issue of free trade was a very contentious issue between the colony and France. France implemented a system called the *Exclusif*, which translates into exclusive or monopoly. The *Exclusif* was a system of trade restrictions placed on the colony (Dubois 32). Under this system, colonists had to get imports from France, and they had to send their exports to France (Dubois 32). Similarly, trade had to use French ships. Most important of all, planters were prevented from trading with other nations. Planters lacked official access to the many markets around them, such as Cuba, Jamaica, Barbados, North America, and South America.

The Saint-Domingue planters wanted free trade instead. France also fixed the prices at which the planters must trade. The fixed prices were favorable to France, not the colony. As a result, the planters believed that French merchants did not have to pay high enough prices. On the other side of the dispute, France argued that colonies existed to benefit the home country, so France could do whatever will help the metropole. Planters considered free trade and the right to set trade policy as crucial rights that France denied them. As a result, the trade restrictions were routinely disregarded and the illegal contraband trade flourished. The contraband trade was particularly developed

in the south, due to extreme proximity with Jamaica. Without the burden of the Exclusif, the wealthiest colony would have been even wealthier.

Saint-Domingue was at its high point in the 1780s. “Never before, and perhaps never since, has the world seen anything proportionately so dazzling as the last years of pre-revolutionary San Domingo” (James 55). “Between 1783 and 1789 production nearly doubled” (James 55). The colony saw tremendous production of its crucial cash crops during this period, as shown in the following table (Rouyer):

Table 3: Cash Crop Production from 1783-1789

Year	1783	1784	1785	1786	1787	1788	1789
White Sugar	77,389,113	65,030,050	66,589,357	71,063,967	68,183,403	70,227,709	47,516,531
Raw Sugar	44,312,919	77,340,464	83,610,527	61,887,814	72,898,676	93,177,512	91,099,963
Coffee	44,573,479	52,220,095	57,885,109	52,120,311	70,003,161	68,151,181	76,286,530
Cotton	4,871,718	4,750,814	4,486,261	5,203,161	6,806,174	6,286,126	6,871,204
Indigo	1,868,722	1,580,142	1,546,575	1,103,907	1,166,177	930,016	958,628

This table identifies the production of the major cash crops in Saint-Domingue from 1783-1789. The quantities are measured by weight, in terms of pounds.

Although white sugar production declined over this period, substantial growth in coffee and raw sugar production counterbalanced that trend. Coffee production increased by 71% and raw sugar production increased by 105%. Similarly, 1789 was an unusually bad year for refined sugar production, which immediately re-accelerated. “This was the San Domingo of 1789, the most profitable colony the world had ever known” (James 57). However, such production came at the tremendous cost of slavery and exploitation. Such an exploitive structure was unsustainable, since the slaves would no longer allow Frenchmen to accrue such profits at their expense.

Saint-Domingue was in its economic prime in the 1780s, but then the French Revolution altered the fate of both France and the colony. In 1789, France convened the

Estates General. The three Estates were the clergy, the nobility, and everyone else. Colonists from Saint-Domingue jockeyed for representation in the Third Estate. Similarly, they tried to exert their influence in the National Assembly as well. Black colonists sought equal rights of citizenship under the Declaration of the Rights of Man and of the Citizen. However, their pleas on behalf of free blacks and slaves fell on deaf ears. Due to the futility of such efforts, slaves and the free blacks decided to claim their rights by force. The Haitian Revolution began in 1791. On August 21, 1791, a vast network of slaves throughout the Northern Province rose up against their masters, pillaged the environment, and killed the colonists in their path (Dubois 94).

The Haitian Revolution did not begin until late in the summer of 1791. Even then, it had not yet expanded beyond the Northern Province in that calendar year. As a result, economic production was still strong in 1791. Even with the onset of a widespread, armed revolt, production remained robust (Tableau):

Table 4: Cash Crop Production from 1783-1791

Year	1783	1784	1785	1786	1787	1788	1789	1791
White Sugar	77,389,113	65,030,050	66,589,357	71,063,967	68,183,403	70,227,709	47,516,531	70,227,708
Raw Sugar	44,312,919	77,340,464	83,610,527	61,887,814	72,898,676	93,177,512	91,099,963	93,177,512
Coffee	44,573,479	52,220,095	57,885,109	52,120,311	70,003,161	68,151,181	76,286,530	68,151,180
Cotton	4,871,718	4,750,814	4,486,261	5,203,161	6,806,174	6,286,126	6,871,204	6,286,126
Indigo	1,868,722	1,580,142	1,546,575	1,103,907	1,166,177	930,016	958,628	930,016

This table shows production in terms of weight, measured in pounds.

Cash crop production continued to increase until the immediate beginning of the Haitian Revolution. Sugar production in 1791 even exceeded that of the 1780s. 1791 was the year in which Saint-Domingue produced its greatest sugar output. However,

due to the beginning of the Haitian Revolution, that year also saw the beginning of the destruction of the plantation system. The Haitian Revolution had a tremendous impact on economic activity, as cash crop production dropped markedly.

Chapter 3: The Haitian Revolution

Following the initial uprising, the commanders of the rebel slaves negotiated with the colonial administration to end the rebellion. However, the planters and French administrators refused to make concessions. Such a ceasefire would have kept the uprising contained to the Northern Province and it would have ended the hostilities at that point. However, when negotiations broke down, the war proceeded and it expanded throughout the colony in 1792. France sent reinforcements in the fall of 1792, which resulted in a string of victorious battles against the insurgent slaves. The rebellion was in peril, but the slaves found luck in 1793.

After the execution of King Louis XVI, France declared war on Britain and Spain. Despite the turmoil in Saint-Domingue, Britain and Spain saw this war with France as a great opportunity to steal the most valuable colony in the world, so both countries invaded Saint-Domingue. The slave forces, under their leader Toussaint Louverture, initially allied themselves with the Spaniards against the French. In desperation, the French Republic abolished slavery in order to convince the rebel slaves to switch sides in the war. With this development, Toussaint Louverture and his army defected to the French side. He then defeated both the British and Spanish armies by 1798, thereby gaining de facto control of the colony.

When Toussaint Louverture defected to the French Republic he sought to preserve his power and the freedom for the newly emancipated slaves. However, conflicts of interest developed. Toussaint's methods and ideals were somewhat contradictory. Similarly, his desired policies were different than those of the ex-slaves. He was determined to maintain and grow the plantation system, so he sought to limit the

movement and liberty of the ex-slaves (Dubois 173). In 1794, after he joined the French Republic, the economy was in shambles and the country was devastated from the ravages of the war.

Following the onset of war, economic production in Saint-Domingue reached a trough in 1795. Years of war had a tremendous effect on the agricultural production that defined the prior decade. Due to the upheaval, the economy nearly collapsed. Production declined so significantly that “export agriculture was virtually dead” (Lundahl 126). “If the amount exported of the four most important export products in 1789 is assigned an index number of 100, coffee exports were down to a figure of 2.8 in 1795, sugar was down even more, to 1.2, and cotton and indigo exports had fallen to a mere 0.7 and 0.5 percent, respectively, of their former levels” (Lundahl 126).

This was a catastrophic decline. In what was previously the world’s most productive colony, production of the four most valuable crops declined by more than 97% (Lundahl 126). Coffee declined by 97.2%, sugar declined by 98.8%, cotton declined by 99.3%, and indigo declined by 99.5% (Lundahl 126). The following table shows the production levels:

Table 5: Decline in Production from 1789-1795

Year	1789	1795
Sugar (weight in pounds)	138,616,494	1,663,398
Coffee (weight in pounds)	76,286,530	2,136,023
Cotton (weight in pounds)	6,871,204	48,098
Indigo (weight in pounds)	958,628	4,793

This drastic decline in output is clear in the following graph:

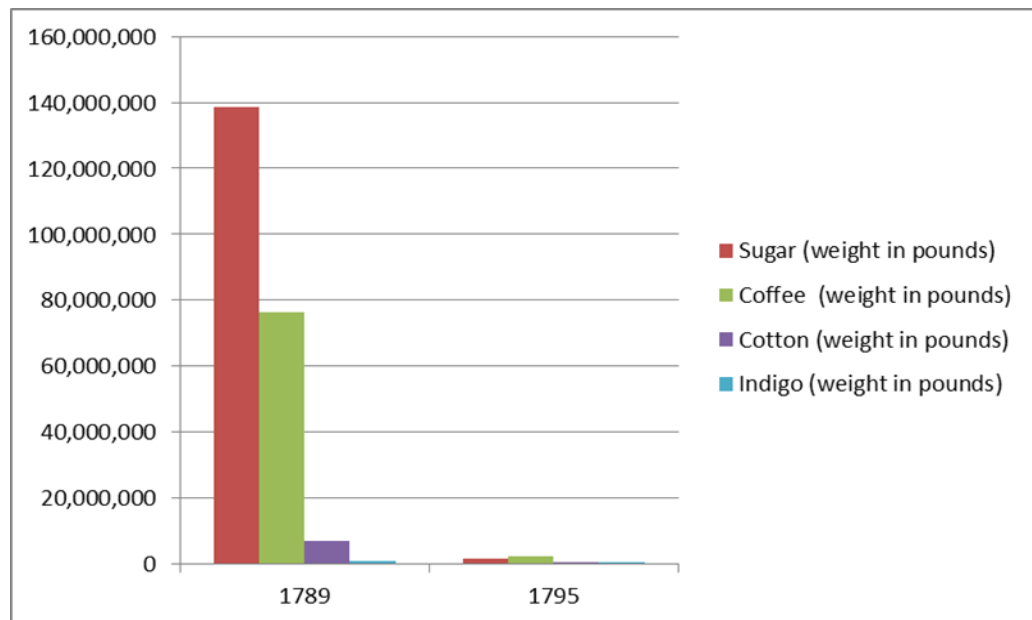


Figure 1: Graph of Production from 1789-1795

The Haitian Revolution nearly brought the entire plantation economy to a halt. In this dire situation, Toussaint believed that he had to re-accelerate production and exports in order to preserve freedom and autonomy. He took drastic measures in order to rebuild the economy, even if his policies seemed punitive and restrictive to the former slaves.

Toussaint Louverture “committed himself to forcing former slaves to keep working on the plantations” (Dubois 184). This “decision put him in conflict with the aspirations of many of the newly freed people of the colony” (Dubois 184). They wanted their own land. The ex-slaves wanted to be small farmers and proprietors. In fact, the ex-slaves tried to have their way following emancipation. After the slaves gained freedom, on “many plantations abandoned by their former masters, ex-slaves expanded the size of their garden plots and took over other parts of the plantation to

cultivate for their own subsistence” (Dubois 185). However, Toussaint Louverture would not allow that. Toussaint told the workers that they must produce. He “used his authority—and probably the threat of force—to maintain order” (Dubois 187).

Toussaint struggled to balance the conflicting desires of preserving freedom for the former slaves with the methods that would achieve that goal. Many former slaves saw “an existence that stank of slavery” (Dubois 186). Working on plantations under duress may have seemed like slavery, but Toussaint insisted that such sacrifices preserved liberty, rather than destroy it. His “state was committed to emancipation. But it was also committed to making the former slaves stay on their plantations and forcing them to work at the same tasks that they had before they were free” (Dubois 189). The slaves “had taken over small plots of land on which they practiced small-scale subsistence farming,” but Toussaint reversed that course (Girard 47). “This unambitious Caribbean yeomanry fulfilled the former slaves’ fondest dreams, but dividing plantations into small lots, Louverture rightly reasoned, would sound the death knell for Saint-Domingue’s economy” (Girard 47).

Toussaint refused to break up plantations because he knew that small, scattered landholders could not implement the plantation economy. “Sugar and coffee exports were required to fill the state’s (and Louverture’s) coffers, buy weapons, pay the army, and generally return the colony to its prerevolutionary state of splendor” (Girard 47). He believed that plantations were necessary to maintain a high standard of living. Without a plantation economy, there would be no wealth to maintain the army that was necessary to preserve their freedom. If they had regressed to a subsistence economy, the state would have been unable to defend itself from its enemies. He created a society that

depended on a strong military to protect emancipation, but only agricultural profits could support that military (Fick 23).

The desire among ex-slaves to work their own land was an extreme impediment to rebuilding a plantation economy. The interests of the workers and the rulers were polar opposites. Toussaint Louverture wanted to rebuild the plantation economy, but the former slaves regarded such action as inherently contradictory to freedom. To the ex-slaves, not working on a plantation was the definition of freedom. They sought the idealized life of the yeoman farmer. “Freedom for the mass of insurgent slaves, if it was to be realized at all, was fundamentally intertwined with an independent claim to land. Work and labor for the profit of another or for the production of export crops on which the colony's existence depended was profoundly antithetical to their own vision of things” (Fick 15). They did not see such labor as a prerequisite to preserving their freedom. They were also not motivated by the grandeur of a robust economy, since it was their begrudging labor that produced it, and they had not shared in that wealth.

The former slaves had no interest in restoring the Saint-Domingue economy to its supposed former glory. They merely wanted their freedom as they saw fit, which forever undermined multiple attempts at recreating the plantation economy. Not only did the ex-slaves want their own land based on theoretical and symbolic perceptions of the plantations, but the actual condition of their work severely limited their liberty. Plantation labor was organized in military fashion (Lundahl 131). Each labor unit was its own military unit and military commanders oversaw the production (Lundahl 131). Laborers were considered soldiers in the war. They had to produce the crops that would buy the weapons for the military. Supposedly, that was their contribution to the war

effort. Vagrancy was a crime and workers could not leave their plantations, just like a soldier who would be AWOL. The punishment for vagrancy was imprisonment or forced labor on public works (Dubois 186). There were police forces to catch runaways and inspectors enforced adequate production output (Lundahl 131). Therefore, the former slaves, “now named *cultivateurs*, had to resume their customary hard work in the boiling sun” (Girard 47).

These restrictive labor laws created severe conflict, which appeared as soon as slavery was abolished (Fick 17). The purpose of these strict labor codes was to pressure or force people to work on plantations. Free laborers on plantations received between 25%-33% of their output as compensation, but they were prohibited from leaving their plantations or seeking new employment (Bulmer-Thomas 170). The vagrancy laws reduced movement further. These policies contradict the legal principle of employment-at-will. A lack of employment-at-will results in a lack of competition. Forcing employers to compete helps workers. If workers can't leave their plantations, they can't seek better opportunities and their employers will have no incentive to provide better benefits. More modest laws, such as prohibiting unemployment only, might be more prudent.

The rulers and the workers couldn't reconcile their beliefs about the ideal structure of the economy. The rulers supported free trade of goods, but not free trade of labor. Although they wanted to trade agricultural products, they would not allow workers to freely exchange their labor. Because there was no free market for labor, the workers didn't get to share in the benefits of the plantation system. Without a free market for labor, the workers got nothing out of it, so the benefits would flow to the

ruling class only. For the plantation system to work, both sides must benefit. Free labor would have enabled the workers to benefit from the gains of plantation production, which would drive further growth. However, rulers struggled to align the interests of the worker and employer, in order to incentivize hard work and provide the greatest benefits for both parties.

Toussaint Louverture believed that the promotion of trade and the power to set trade policy were crucial. He actively sought ways to increase Saint-Domingue's trade prospects, in order to stimulate exports. This was particularly true after he gained control of the colony in the late 1790s. Toussaint Louverture was an effective diplomat. He was able to work with people and balance varying interests in order to get what he desired. His foreign policy position was that his administration must secure major world powers as allies. He knew that he must maintain strong relationships with both Britain and the United States. This is due to the fact that those countries were Saint-Domingue's most crucial foreign trade partners prior to the war. He sought to revive the old relationships, at least as it related to trade.

Saint-Domingue built wealth originally by trading with other nations, so Toussaint Louverture believed that following that blueprint would create prosperity in the future as well. This is why he supported free trade. White planters in the 1780s believed that free trade was the ideal policy for Saint-Domingue. Toussaint Louverture had the exact same perception in the 1790s. Saint-Domingue was still nominally French, so the *Exclusif* was still in effect. However, he worked around such restrictions with diplomacy. After he defeated the British army, Toussaint Louverture negotiated a deal with the British commander Thomas Maitland that he would not incite any

rebellion in Jamaica in exchange for the British evacuation of the colony and a cessation of the British blockade (Dubois 223). He also established a trade agreement with the British and he opened Saint-Domingue's ports to British ships (Dubois 223).

He also negotiated with the United States, since both countries were crucial markets for sugar and coffee exports. Toussaint specifically pleaded with John Adams to establish a strong political and trade relationship. He wanted the United States as an ally and he welcomed American ships into Saint-Domingue as well. New England merchants were eager to obtain this trade, so he received Adams' support and they finalized a trade agreement (Dubois 224). Saint-Domingue had a strong trade relationship with New England, since "the colonies of North America and the French Caribbean depended on one another as they grew" (Dubois 33). Saint-Domingue sent rum and molasses to New England, and the Americans sent back staple foods. Louverture understood that Britain and the United States were crucial trade partners and he tried to ensure that trade would continue among these partners. He had to preserve international relationships because he wanted to rebuild the plantation economy that was destroyed during the war.

Because the previous economy was based on exporting, Toussaint needed access to export markets. The plantation economy nearly came to a halt during the Haitian Revolution and exports regressed to almost zero (Lundahl 126). Nonetheless, he was determined to resurrect the moribund economy. "Louverture oversaw a remarkable revival of the shattered plantation economy in Saint-Domingue" (Dubois 249). Under his stern commitment to increase exports, production increased substantially from the

low point in 1795. By “1801 and 1802, much lost ground had been recovered, although there was still a long way to go” (Lundahl 135).

The following table shows the decline from 1789 to 1795, then the growth from 1795 to 1801 and 1802 (Heinl and Heinl 143; Lundahl 135):

Table 6: Cash Crop Production from 1789-1802

Year	1789	1795	1801	1802
Sugar (weight in pounds)	138,616,494	1,663,398	26,500,000	52,674,268
Coffee (weight in pounds)	76,286,530	2,136,023	43,000,000	34,328,939
Cotton (weight in pounds)	6,871,204	48,098	240,921	3,985,298
Indigo (weight in pounds)	958,628	4,793	N/A	N/A

The economy experienced rapid growth since the 1795 low point. Although production was still below past levels, he achieved his goal of preserving the plantation system and drastically increasing exports. “Under Louverture’s control, the rebuilding of many sectors of Saint-Domingue’s plantation economy was well under way” (Dubois 250).

After Napoleon became the French First Consul in 1799, he sought to regain control over Saint-Domingue. Toussaint had tremendous autonomy and he pursued his own policies regardless of metropolitan France. Napoleon tried to dispose of Toussaint’s regime by sending a military expedition to retake the colony. In 1802, in what is now known as the Leclerc Expedition, Napoleon sent General Charles Leclerc, his brother-in-law, to “retake possession of Saint-Domingue and restore slavery” (Dupuy 66). Leclerc died from yellow fever in the fall of 1802. Leclerc’s forces later captured Toussaint and imprisoned him in France where he died in 1803. Donatien Rochambeau became the new commander of the French forces and Jean-Jacques

Dessalines, Toussaint's second in command, became the new commander of the rebel forces.

The change in administrations from Adams to Jefferson in the U.S. and from Toussaint Louverture to Jean-Jacques Dessalines in Saint-Domingue influenced the international perception of Haiti. Adams was tolerant and somewhat supportive of Toussaint Louverture's regime in the late 1790s. However, Jefferson sought to strengthen America's ties with France, which involved supporting France and opposing the rebel slaves. Similarly, the fact that Jefferson was from Virginia, not Massachusetts like Adams, influenced his policy towards Toussaint and Dessalines. "Jefferson's newly elected government in Washington abruptly changed U.S. policy and refused to support Toussaint" (Dayan 189).

As the President, Jefferson influenced the United States from the point of view of a southern planter. "The revolt in Saint-Domingue left Southerners in fear of insurrection" (Dayan 188). An actual slave revolt in Saint-Domingue exacerbated the pre-existing fear among southerners of a slave uprising in the United States. Therefore, "President Jefferson assured the minister Louis Pichon that the United States would do everything possible to support Napoleon's agenda for Saint-Domingue: the reconquest of the island and the reestablishment of slavery" (Dayan 189).

The expedition became increasingly violent in its final stages. Torture, massacres, and mass executions of soldiers, prisoners, and civilians became the norm on both sides (Girard 52). Both whites and blacks were now perpetrators and victims of wholesale massacres where both sides attempted to outdo the other in their level of barbarity.

The rebel army eventually defeated the French forces, thus earning independence for the new nation of Haiti. This was the only successful slave revolt in world history and Haiti became the first black republic (Heinl and Heinl 7).

Chapter 4: Haitian Independence

Haiti declared independence on January 1, 1804. There was tremendous hostility toward the new black republic after independence. “As a majority black republic born of a slave revolt and a war of independence, Haiti would have been surrounded by wary neighbors in any scenario” (Girard 61). The major powers of the world opposed the idea of an independent nation governed by former slaves. They were still slaveholding nations themselves, so they refused to legitimize this slave revolt. The “existence of Haiti gave hope to the slave population of the New World and thus constituted a warning and possible threat to the European colonial powers, and to the slave-owners of the United States” (Nicholls 36). They did not want to give their own slaves any dangerous ideas, so they had to reject Haiti.

Not only did they oppose the idea of the first black republic, they were also uninclined to work with Jean-Jacques Dessalines. Dessalines assumed command of the rebel forces following Toussaint’s death and he was the first ruler of Haiti after independence. Toussaint Louverture was more of a pragmatic diplomat than Dessalines. While Louverture had been able to work with Europeans and white colonists, Dessalines was more brash, and his passionate hatred of white people motivated his actions and inhibited his ability to form international relationships. The atrocities committed during and after the final years of the Haitian Revolution further motivated world powers to ostracize Haiti.

After declaring independence, Jean-Jacques Dessalines took a French flag and cut out the white third of the flag, which symbolized the destruction and removal of whiteness in Haiti (Girard 59). He then put the blue and the red pieces back together to

create the Haitian flag. Subsequently, he removed whiteness from Haiti literally as well. Following independence, Dessalines' forces massacred the remaining white residents of Haiti, which created a horrible first impression for the new nation. He rounded up all of the remaining French citizens all over Haiti and had them slaughtered. (Girard 60). "The massacre was worse than a crime, it was a blunder" (Heinl and Heinl 125). This act ruined a valuable opportunity for Haiti to establish productive relationships with other nations, relationships that Toussaint had considered crucial. "Dessalines isolated Haiti beyond the pale of civilized recognition and provided arguments that would be used for decades to come to justify the international disdain and ostracism" that other nations showed Haiti (Heinl and Heinl 125).

Due to these hostilities, the major world powers refused to officially recognize the nation of Haiti (Heinl and Heinl 125). Haiti couldn't establish diplomatic relationships with other nations, establish treaties, or make trade agreements. Furthermore, the world powers initiated a boycott and embargo of the new nation, which left Haiti both politically and economically isolated from the rest of the world (Corbett: "Why is Haiti so Poor?"). "Potential trading partners that were vital to the country's economic health stayed away" (Girard 61). These factors were a crucial development. Toussaint Louverture had always prioritized maintaining strong international relationships in order to promote exports. He understood that to rebuild the plantation economy, if rulers wanted to, they would need an open foreign policy to make allies and come to agreements with other nations. Toussaint achieved that objective by the end of the 18th century, but Haiti was both unable and unwilling to do so after independence.

In addition to the lack of diplomatic relations, the economic boycott was severe as well. The “international boycott of Haitian goods and commerce plunged the Haitian economy into chaos” (Corbett: “Why is Haiti so Poor?”). “The international boycott of Haitian products at this time was devastating for Haiti's long-term economic development” because the foundation of the economy was exporting through trade (Corbett: “Why is Haiti so Poor?”). In order to rebuild the plantation economy, Haiti needed customers to buy its coffee and sugar. Because Haiti couldn't sell its valuable cash crops, it couldn't grow and build wealth as Saint-Domingue did. The boycott undermined the structure of the plantation economy that relied on exports.

The plantation economy of Saint-Domingue created tremendous value through trade, as long as trade took place. When Saint-Domingue was unable to preserve its delicate, unstable, trade relationships during the Seven Years' War, famine and economic decline occurred. Haiti's inability to maintain that precious trade eliminated the viability of the plantation economy. If Haiti had decided to implement a plantation economy after independence, it would have had to find a way to sell them profitably in international markets in spite of these restrictions. The initial rulers preferred a plantation model over a subsistence model, but the antagonism from their potential partners inhibited the long-term development of such an economy.

When Jean-Jacques Dessalines became the ruler of newly independent Haiti, he had to choose the nation's economic structure. The economy was in a dire situation. “January 1, 1804 left Haiti facing a desperate task. She was: virtually broke” since “her base of wealth, the agriculture of sugar, coffee, spices and indigo, was in physical ruins, most plantations having been burned and ravaged” (Corbett: “1804-1820”). He faced

this grave situation, since “raw sugar exports fell to virtually zero at the time of independence” (Bulmer-Thomas 170). “Should he distribute the land to Haitian peasants, on which they would most likely grow subsistence crops? Or should he force peasants to remain on large sugar plantations, a more lucrative, but less popular, option” (Girard 64)? He made the same choice Toussaint made, believing that the plantation economy was necessary to create the wealth that would preserve independence and consolidate power. Similarly, since he “found himself at the head of dozens of profitable estates” following the war, he “directly benefited from the plantation system” (Girard 65). Essentially, he chose the option that would benefit himself most, since the plantation model made it easier for the rulers to extract wealth and preserve their own power. Under his leadership, Haiti had mild success at producing coffee, with production at 30,000,000 pounds in 1805 (Dupuy 78).

A serious issue after abolition was the issue of what did freedom mean to the former slaves. During the war, there was intentional destruction of plantations and infrastructure by rebel slaves, in order to prevent re-enslavement on a rebuilt plantation economy. They sought to destroy the plantation system, so that they could never become slaves again (Diamond 335). Many of the freed slaves wanted small, family farms, while authority figures wanted plantations to remain intact (Fick 17-18). Opposition to breaking up the plantations is based on the idea that per unit output will decline if plantations are broken up into family farms for subsistence farming. The aggregate output of cash crops for export from plantations would be more valuable than the cumulative subsistence goods. However, workers despised the idea of working on plantations after the abolition of slavery. To many former slaves, freedom meant not

working on a plantation (Fick 21). As a result, there was tremendous tension between the rulers and the masses regarding land ownership and the structure of the economy following independence.

Haiti had a remarkable opportunity to establish new values, ideals, and institutions after overthrowing a slaveholding colony and earning their freedom. If “ever a country had an opportunity to start absolutely fresh in choosing its own social institutions, Haiti had that opportunity in 1804” (Nicholls 40). Similarly, “the Haitians might (theoretically at least) have invented an entirely new little world of economic, political, religious and social life. All paths were open to them” (Nicholls 40). However, the initial rulers of Haiti simply preserved the status quo that oppressed and disillusioned the masses. “The government was, however, autocratic as well as being authoritarian” (Nicholls 40). “Dessalines had liquidated the French, but in their stead he could offer only military dictatorship, corrupt, capricious, and grounded in enforced servitude” (Heinl and Heinl 125). Thus, the Haitian masses never obtained the sort of freedom they imagined. Haiti preserved its exploitative institutions with the new rulers simply replacing the old. The government of the new nation continued to coerce, intimidate, and punish people into working on plantations. “To supply laborers to the plantations under the control of functionaries and military officers, the government took measures similar to those of Louverture” (Dupuy 77). Thus, the ruling class had to overcome the animosity of the people in rebuilding the economy.

Why Nations Fail describes the concept of inclusive and exploitative institutions (Acemoglu and Robinson 42). It argues that exploitative institutions, which are those where rulers exploit society and extract income and wealth from society, hinder growth,

while inclusive institutions create economic growth and technological advancement (Acemoglu and Robinson 77). The authors define inclusive institutions as “those that allow and encourage participation by the great mass of people in economic activities that make best use of their talents and skills and that enable individuals to make the choices they wish” (Acemoglu and Robinson 74). As Nicholls argued, Haiti had the opportunity to choose its own social institutions (Nicholls 40). If Haiti successfully implemented inclusive institutions then it likely would have become wealthy as well. Haitians tried to promote inclusive institutions by achieving freedom, independence, and the abolition of slavery, but those gave way to exploitative institutions in that new rulers simply replaced the old in extracting the wealth of the workers.

The rulers of Haiti began to implement exploitative institutions by pressuring and forcing workers to work on plantations, so that the wealth of the economy would benefit the military and the rulers, which were heavily involved in civilian life. Essentially, the strict labor laws and the oppressive military regimes made plantation work undesirable. The strict labor laws, the vagrancy laws, the restriction of movement, and the harsh punishments even after slavery created an environment where a plantation economy would not benefit the workers. Not only did the external actors outside of Haiti hinder the potential development of a plantation economy, but the Haitians themselves failed to make such action an attractive option.

Due to this lack of freedom and liberty, workers were unable to use their skills effectively. They were unable to find the best opportunities and pursue their own rational self-interest. The ruling class simply wanted to extract income and wealth from the workers. Liberty and free labor markets would have created inclusive institutions

that would have enabled the workers to benefit from the plantation system. With free labor markets, workers could have made the choice about how to best use their skills. Since the workers were highly skilled, free labor opportunities would have provided the incentives necessary for hard work because the workers would have seen benefits. In order for the plantation system to work, the workers had to get something out of it. If they could make the choice about how to best use their talents and skills, they would have obtained the best benefits and highest wages for themselves by using their skillset to increase plantation productivity. Such inclusive institutions create sustained economic growth because people have the incentive to work and invest in the most effective way. They also release innovative and creative capabilities, as workers develop new technologies and new processes that increase productivity even further. However, the factors involved failed to create an environment where the workers perceived plantation labor as a superior alternative to small farming, because they did not share in the benefits.

Dessalines enacted laws that inhibited Haiti's ability to develop economically. He prohibited foreign whites from owning land or property in Haiti. The 1805 Constitution proclaimed that "no white, no matter what his nation" could be a "master or property owner" in Haiti (1805 Constitution, quoted in Dubois 300). Therefore, any Americans or Europeans who sought to invest in Haiti could not do so, because they "could not own real estate property in Haiti" (Dupuy 78). This prohibition was an effective disincentive against foreign involvement in Haitian development. As a new nation that sought to develop and rebuild the past economic structure, Haiti needed to attract investors, not shun them. Unfortunately, this prevented foreign direct investment.

Foreign direct investment could have helped rebuild the infrastructure that Saint-Domingue once possessed. It could have provided the necessary funds to purchase the machines, the capital goods, and the land in order to rebuild, expand, and operate Haitian plantations. Such investments were necessary because Haiti lacked the ability to grow internally. The capital had to come from somewhere, so prospective investors in wealthy countries could be an attractive source. However, the Constitution prohibited such action.

Saint-Domingue had been the most profitable colony in the world prior to the Haitian Revolution, so sugar and coffee production should have been attractive to investors after independence. There had always been tremendous demand for plantation ownership, and Haiti could have taken advantage of such demand. There should be foreign direct investment as people sought to claim their share of the lucrative coffee and sugar trade. Foreign investors could have ignored the racial and political antagonism towards Haiti in order to maximize profits. Rulers tried to rebuild the plantation economy after independence, but Europeans and Americans were not inclined to help Haiti because they did not want to legitimize or support a nation that overthrew the established order and massacred its white residents. The racial and political hostility towards Haiti was a bad business decision because it reduced their involvement in the most profitable area of the cash crop trade.

Because Haiti lost much of its wealth in the Haitian Revolution and it did not have the money to rebuild alone, foreign direct investment was even more crucial, but the Constitutional prohibition against foreign property ownership stifled such action. There was insufficient “capital accumulation to make possible the levels of investment

needed to rejuvenate the sugar plantations as the driving force of the economy. The weakness of the domestic capital market, the absence of foreign investments (largely because of the laws prohibiting foreign ownership of property), and the diversion of revenues to the military” prevented Haitians from accumulating sufficient capital to develop the economy (Dupuy 81). Haitians had a need for capital and Americans or Europeans could have provided it and benefited from it, but both sides stubbornly prohibited such transactions.

Unwilling to tolerate Dessalines further, a group assassinated him in 1806. A power struggle ensued over who should become the next ruler. Henry Christophe and Alexander Petion, both generals in the Haitian Revolution, claimed rightful authority. In 1807, Haiti split in half, into two separate jurisdictions, the north and the south. Henry Christophe established the State of Haiti, later the Kingdom of Haiti, in the northern half of the country. Alexander Petion established the Republic of Haiti in the southern half of the country. These two states established two disparate social structures. The separation changed the structure of the economy and established the path that Haiti would take for subsequent centuries. The differences between these two states and rulers determined the structure of the economy and land ownership in Haiti.

Henry Christophe ruled the north, which had been the most prosperous region during the colonial period. His state included the North Plain, the most valuable single area of the country, and Le Cap, the economic center of the country. This area had the strongest history of a plantation economy and he sought to preserve that model. The north always focused on large-scale agricultural production by utilizing plantations, with a focus on sugar in particular. Christophe was the successor to Toussaint and

Dessalines, both of whom were from the north and both of whom tied their fates to plantation production.

“In the north, Christophe preserved the forced labor system, or *fermage*, that he inherited from Louverture and Dessalines” (Girard 66). He preserved the restrictive labor laws under his own code, the Code Henry, which bound laborers to plantations and compelled them to stay there (Dupuy 87). Laborers could not move to a new plantation or to a new part of the country, and they had to work under the strict discipline of Henry’s military force that enforced the law and oversaw productivity (Dupuy 87).

“As with Louverture and Dessalines, Christophe maintained the system of large plantation production for export and labor organization” (Dupuy 87). Therefore, he sought to facilitate the profitable trade policies that the plantation economy required. Immediately following the death of Dessalines, he “issued a proclamation abolishing all restrictions and exclusive concessions in foreign commerce, and offering full protection to foreign vessels” (Nicholls 52). Like Haiti’s other rulers, he actively sought to increase trade. Commerce was crucial to his administration because the trade within a plantation system would build the wealth and power that would solidify his rule. Just like Toussaint, he believed that foreign trade was necessary to build a sufficient economy to strengthen the government and preserve the nation. Therefore, the “policy of the northern state in its early years was thus one of free trade” (Nicholls 52).

In particular, Christophe established a close relationship with Britain. He had a very pro-British foreign policy and he used that relationship to encourage trade. Britain was the first world power to remove its embargo on Haiti in December 1808, which

resulted in a near monopoly of Haitian trade for the British by 1814 (Nicholls 51). His administration believed “that it was to the advantage of Haitians to exchange their products for the manufactured goods of Europe,” which would allow them to benefit from industrial manufacturing in Europe while continuing to specialize in the cash crops themselves (Nicholls 52). Despite his stern rule, his “regime nonetheless increased agricultural production and revitalized commercial exchanges” (Dupuy 88). His kingdom generated \$3.5 million in annual revenue, the highest value since 1791 (Dupuy 88).

Yet, his harsh rule furthered animosity against him, among the military and laborers. To escape the harsh conditions, workers fled to the mountains, staged uprisings, or fled to the south (Dupuy 88). Christophe adopted a plantation model that fostered resentment, while Petion in the south adopted a yeoman farmer model (Watkins). However, working under the plantation model in the north provided higher living standards after the split, which showed how much the workers valued personal land and tranquility (Watkins). “In the south, the average Haitian was an isolated, poor, free, and relatively content yeoman. In the north, the average Haitian was a resentful but comparatively prosperous laborer” (Haggerty 217). Nonetheless, the people became increasingly intolerant of his brutality, so they mobilized against him. With his rule crumbling around him, Christophe committed suicide in 1820.

Alexander Petion became the ruler of the Republic of Haiti following the division. His reign “is the most important rule in the history of Haiti” (Corbett: “1804-1820”). He ruled his state differently than Christophe in the north, which had a more lasting impact. “Petion’s crucial decision, in retrospect his great mistake, had been to

distribute land in small holdings” (Heinl and Heinl 143). The primary difference was that he finally gave the peasants what they sought, which was their own land. “Starting in 1809, he fulfilled every peasant’s dream when he started carving out the plantations of the colonial era and dividing them among soldiers” (Girard 66). Petion made this decision for a number of reasons. He may have genuinely sought to promote more liberal policies, but he considered his own interests. He wanted to legitimize his rule and appease the masses, in order to stifle dissent and dissuade any possible uprisings (Dupuy 88). As a landed elite, he still reserved the best properties for himself and his peers, and he had no interest in redistributing those particular properties (Dupuy 88). However, giving some land away as a concession would likely be a sufficient gesture to strength his rule. Indeed it was as he was very popular.

Petion paid his soldiers with land because he had no money, but he also made land available to civil servants and other commoners (Dupuy 90). Under this policy, “much of the public domain was put up for sale at prices low enough to make it possible for the non-wealthy to purchase land” (Dupuy 90). Haitians, on a wide scale, could now afford to purchase their own land for independent farming, which made land ownership more widespread across society. This decision changed the land ownership structure in Haiti. It began the movement away from the structure defined by a small population that owned a small number of large properties. Previously, large estates were concentrated among the landed elite, with a large landless class. However, with this change, land ownership became much more widespread as the lower-classes obtained ownership of small parcels. Furthermore, this decision also changed the social structure of Haiti, in that it moved the nation away from the plantation economy. Instead, “the republic,

effectively, had become a nation of smallholding peasants, rather than of serfs and plantations” (Nicholls 143).

This program was the beginning of the end of the plantation system. The plantation economy relied on large, intact plots of land. Planters developed plantations on vast estates that could accommodate the mills, machines, and aqueducts. However, parceling out pieces of land to individuals was less conducive to the production of cash crops, especially sugar. Sugar was the crop that depended most on the plantation system because planters can't grow it on small landholdings. After breaking up plantations and estates into small plots, nobody could grow sugar any longer, so sugar production became nearly extinct. As a result, coffee became the most important crop. Coffee was able to function within the framework of smallholdings because it could be grown on small plots. Unlike sugar, a large estate wasn't a necessity. Dating back to the colonial days, black proprietors were already experienced and involved in the coffee trade. Coffee was their specialty before independence, so it is unsurprising that sugar would fall below coffee.

Petion's land distribution program shaped the future of Haiti. "Production dropped, growth ceased, the economy stagnated, then declined" (Heinl and Heinl 143). The advanced plantation economy was trade oriented and relied on involvement in the global economy. However, the people used their newly obtained smallholdings to create a nation of yeoman farmers, which made the Haitian economy internally oriented. As a result, growth and output declined because those aspects were more associated with the plantation economy. His actions "took out of production land used for money crops - sugar, coffee, indigo, and cotton - and put it into truck gardens and subsistence farming,

thus further weakening the earning capacity of the republic” (Heinl and Heinl 143). Haitians took their land and they did not focus on producing the most valuable crops. Producing crops for their own consumption would not enable them to trade in global markets. By producing subsistence goods rather than trade goods, they couldn’t build the wealth through trade that Saint-Domingue did previously.

This program did not increase agricultural production because workers focused on subsistence production and ignored the plantations since they were no longer under military duress (Dupuy 90). Petion’s use of the military in the context of agriculture was unique as well. Unlike the administrations of other rulers, workers were “no longer forced to work under military supervision” (Dupuy 91). Therefore, planters on the remaining plantations could not find or maintain a large labor force. Due to the ailing plantation structure, they began to further divide and distribute land among prospective smallholders. Planters sought to get what they could for their properties, which involved either breaking them up and selling them outright, or leasing them to farmers for subsistence farming (Dupuy 91). These actions only accelerated the trend that Petion began and it “signaled the end of large-scale sugar production for export” (Dupuy 92). Regardless of his intentions, “Petion created a country of peasants living on their own land doing subsistence agriculture and having little or no involvement with government, or the life of the cities, much less with the external world” (Corbett: “1804-1820”). “Unlike Dessalines and Christophe, he did nothing to reinvigorate the economy” (Corbett: “1804-1820”).

General Jean-Pierre Boyer became the new ruler of the Republic of Haiti following Alexander Petion’s death in 1818. Boyer “continued his predecessor’s

policies. The south continued its effortless fall into misery, and northerners continued to vote with their feet by sneaking across the border” (Girard 67). After Henry Christophe committed suicide in 1820, Boyer marched on the north and reunited the nation under the government of the Republic of Haiti. The victory for the south, the Republic of Haiti, cemented the structure for society that Petion created. Boyer continued and reinforced the land distribution program that Petion began previously (Corbett: “Petion/Boyer Years”). “Petion’s 1809 land distribution decrees, extended to the northern part with the reunification of 1820, changed Haiti more than all the revolutions and civil wars of the nineteenth century” (Girard 67). The people wanted their own land and they immigrated to Petion’s state in order to obtain it. The trend of Haitians fleeing the northern Kingdom of Haiti weakened the northern state and further solidified smallholdings as the structure of the economy. The people voted with their feet because they preferred the simple life that small-scale farming offered, free of oppression from the state. The “Haitian people wanted to retreat into an agricultural subsistence economy,” and once Petion set that path in motion, it could not be undone (Girard 67).

Towards the end of Petion’s reign, and into the first years of Boyer’s rule, economic growth and agricultural output continued their steady decline. The effects of land distribution became apparent. In 1826, Haiti produced 32,000,000 pounds of coffee, which is a substantial decline from the 37,198,000 pounds of coffee Haiti produced in 1822 (Heinl and Heinl 169; Heinl and Heinl 143). Coffee was supposed to be the torch bearer for the economy following independence and land distribution, yet even it was declining as Boyer’s reign progressed. Sugar production was much worse, as shown in the following table (Dupuy 92; Nicholls 69; Heinl and Heinl 143):

Table 7: Sugar Production from 1818-1826

Year	1818	1820	1822	1826
Sugar (weight in pounds)	6,000,000	2,500,000	652,000	32,000

The following graph shows the production decline over this period:

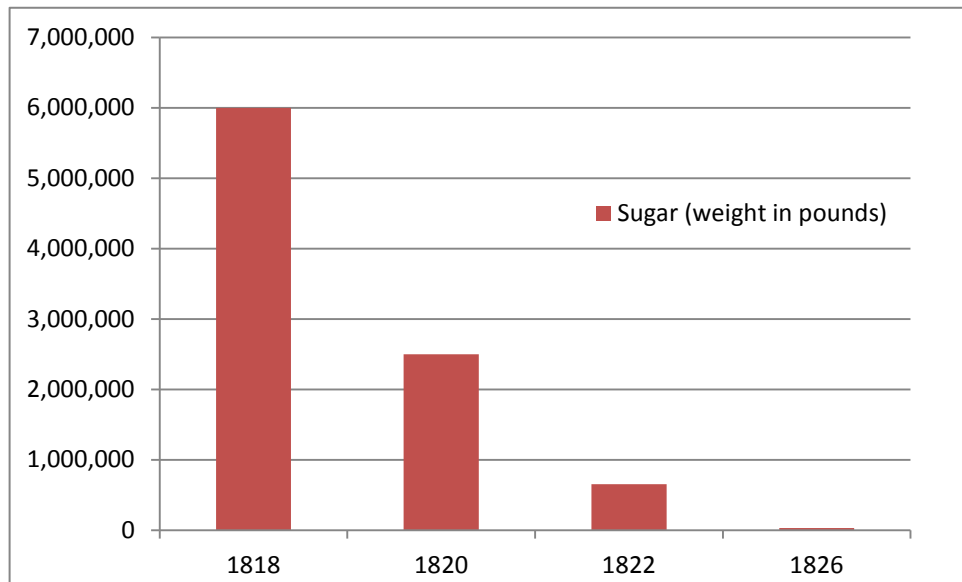


Figure 2: Graph of Sugar Production from 1818-1826

The death of the sugar industry was imminent, so Boyer tried to end the allocation and sale of land to individuals. He came to the same realization as Toussaint, Dessalines, and Christophe before him that he had to reinstate the plantation economy because it was the only way to build a strong national economy. After Petion broke up the plantations, Boyer realized that “had to be undone and the plantation system had to be restored” (Dupuy 95). Therefore, he “took steps to halt the proliferation of small farms and the sale of national lands and to speed the return of the laborers to the plantations” (Dupuy 95). He attempted to reinstitute the system of serfdom, the *fermage* system, which was present under Haiti’s previous rulers. Like the previous rulers, he established his own labor code, the *Code Rural*, which had the same effect of producing

a labor force for large estates. Like the previous codes, it declared that people who are not soldiers, professionals, or elites are cultivators who are legally bound to the soil (Heinl and Heinl 166). The *Code Rural* “marked a return to the draconian and coercive labor codes adopted by Louverture, Dessalines, and Christophe” (Dupuy 95).

Boyer believed that Haiti could no longer remain in economic and political isolation. Haiti had to join the broader global economy and enter international politics. He sought international recognition and he struck a deal to obtain it. “Boyer’s policies reflected the last effort by the ruling class to maintain the system of a plantation economy as Haiti’s model of economic development” (Dupuy 92). He knew that he had to establish diplomatic and commercial relationships with the world powers in order to grow and sustain a plantation economy. “The diplomatic isolation of Haiti by western powers prevented Haiti from engaging in full commercial and financial transactions with them and hence deprived the Haitian bourgeoisie of access to metropolitan sources of credit, technology, and markets” (Dupuy 92). In order to create a thriving plantation economy, Haitians needed access to European technology and machinery, as well as the funds to purchase such property and infrastructure. Although the Haitian prohibition of foreign ownership in Haiti was still a serious impediment to such investments, Boyer thought that diplomatic relations would help them purchase what they needed.

With the treasury depleted and the economy stagnating, Boyer pursued policies to create growth. He believed that Haiti had to obtain official recognition as an independent nation in order to strengthen the country. He negotiated a deal with the French government that would grant French recognition of Haitian independence for a cost. The French government demanded repayment for “lost property” during the

Haitian Revolution. In 1825, Boyer agreed to pay an indemnity to the French government as compensation for the supposed losses during the Haitian Revolution, which earned official French recognition of Haiti (Haiti Behind the Headlines). Haiti could now officially establish diplomatic relations and trade freely with other nations. Most other European nations followed suit and granted recognition as well, but the United States would not do so until 1862 (Dupuy 94). France insisted that Haiti had to provide compensation for lost property, which included both land and people. Essentially, Haitians had to pay money to their former owners as punishment for freeing themselves, in addition to lost real estate. France imposed the indemnity in the amount of 150 million francs, payable over five years, which the French government calculated as a decade of Haitian revenue (Dupuy 94).

“It is hard to describe the level to which this debt crippled Haiti” (Corbett: “1820-1843”). In addition to its moral reprehensibility, the indemnity was a substantial drain on Haiti’s financial stability. It was a tremendous burden that weighed the nation down as it tried to grow. Haiti was unable to make the first 30,000,000 franc payment, so the Haitian government incurred debt instead. The Haitian government borrowed funds from French banks at interest rates of 25% or higher in order to make the indemnity payments (Dupuy 94). This borrowing began Haiti’s long cycle of indebtedness to foreign nations, which resulted in significant foreign involvement in Haiti’s financial affairs. These loans exacerbated Haiti’s pre-existing fiscal strain.

In previous years, more than 50% of the Haitian budget went to the military. Following the indemnity, debt payments comprised as much as 80% of the Haitian budget (Haiti Behind the Headlines). This policy was the final blow to the Haitian

economy. With such a massive percentage of the budget leaving the country as debt payments, productive investment became impossible. This debt essentially deprived Haiti of all available funds, which left the country devoid of any resources that could be reinvested in education, infrastructure, or economic growth. Haiti was largely broke, so the French and Haitian governments renegotiated the indemnity down to 60 million francs in 1838, “but even this debt strapped Haiti far beyond her means” (Corbett: “1820-1843”). Historians estimate the size of the indemnity as approximately 21 Billion U.S. Dollars today, which is substantially greater than Haiti’s GDP (Haiti Behind the Headlines).

Boyer hoped that his attempt to reinstate the plantation system would increase national wealth through trade and generate tax revenues necessary to pay the indemnity. However, the methods and the purpose incensed the population. The indemnity was vehemently unpopular and the Haitian masses adamantly opposed paying taxes that were to be used to compensate former slaveholders for their “lost property.” Similarly, they rejected the attempt of the government to reestablish plantation agriculture on large estates. They would not allow Boyer’s administration to undo their land acquisitions. The Haitian people got what they wanted under Petion, so Boyer was unable to reverse that trend. “To reconstitute the large plantations and force the laborers back to work on them would have called for the expropriation of not just the illegal squatters on public lands, but the middle class landowners, the de moitie farmers, and the small landowners” (Dupuy 96). Boyer would have had to confiscate the properties that were previously broken apart and put them back together, but such action did not occur.

Boyer was unable to effectively enforce the unpopular *Code Rural*. Unlike other leaders who found some success, Boyer's labor code "completely failed to reach its objective" (Dupuy 96). It "generated widespread opposition among the population, mostly from the laborers as well as among the soldiers who were transformed into laborers" (Dupuy 96). The *Code Rural* failed because the plantations, which were the source of sugar, had been broken up into smallholdings. Following French recognition, the government could no longer argue that funds were needed for national defense against prospective foreign invasions, so the government could not justify such policies (Corbett: "1820-1843"). Similarly, the weakened military could not enforce the labor code (Corbett: "1820-1843"). He could not enforce the code "without the risk of a popular uprising that might be supported by the soldiers who would be called upon to suppress it" (Dupuy 96). The army was weaker and many of the soldiers valued their own holdings, so Boyer could not use the military to enforce labor laws as Toussaint, Dessalines, and Christophe had all done previously.

The "premise of the code was of large, efficient productive units grouping labor under tight supervision and, as required, military compulsion" (Heinl and Heinl 167). Yet, more than half the land was already in the hands of peasant freeholders, most of whom were soldiers or former soldiers (Heinl and Heinl 167). Therefore, the code did not fit the environment in which it was made. "By breaking up the estates and parceling out the land into small holdings, Petion had already dealt the plantation system a mortal blow" (Heinl and Heinl 167). The *Code Rural* tried to reinvigorate the economy within the plantation framework, but that structure was no longer present. Toussaint,

Dessalines, and Christophe merely tried to preserve the existing structure, but Boyer had to actively reverse the changes that previously occurred.

Another reason Boyer struggled to enforce the code was because soldiers considered such action hostile to their interests. After they received the land they desired, they would not enforce confiscatory policies, or allow others to confiscate their own land. Similarly, the peasants were already firmly entrenched in their holdings, which they would not forfeit. “No longer were Haitian peasants willing to trade liberty and the good life for discipline and national productivity” (Heinl and Heinl 167). The lower-classes supported land distribution and they were sufficiently powerful to resist the attempts of the upper-class to recreate the large estates. The military lost power following independence and it also saw its interests become more aligned with the peasants and less aligned with the elites, in that both soldiers and peasants supported widespread land ownership. Therefore, Boyer could not use the military to promote agricultural production, as previous rulers did.

“The rich fields might still be Haiti’s great resource, but the other resource - manpower - could no longer be mobilized” (Heinl and Heinl 167). “Henceforth, small- and medium-size properties dominated the Haitian countryside, and it is on these properties that the entire economy rested” (Dupuy 98). Petion’s land distribution program initiated the movement towards small-scale, rural farming among the plurality of Haitians. Once that trend gained momentum, Boyer could not reverse it. Boyer’s effort was the final attempt of the elites to preserve the plantation system that built them such immense wealth. However, Boyer’s failure to enforce the *Code Rural* and create marked improvements in profitable trade largely solidified Haiti’s social structure. “The

small family farm replaced the plantation as the unit of production,” which ensured that Haiti would lose its place within international trade (Dupuy 98). As a result, the nation became increasingly comprised of rural, subsistence farmers, since the plantation structure was more consistent with active participation in the global economy.

Haiti was no longer a major force in the world economy because it moved away from the advanced economy that previously defined the nation. Haiti once built wealth by producing valuable, marketable goods for the purposes of trade within international markets. However, the less advanced economy of subsistence farming had little relevance in the broader global economy. Haitians began to produce foodstuffs and consume their output, which left little room for advancement. The nation was unable to preserve or rebuild an advanced economy, so it could not accumulate wealth or capital. Haiti did not build wealth because it stopped generating profits from the profitable trade of cash crops. By consuming output rather than producing profitable goods for trade, Haiti was unable to develop and industrialize as a nation. The industrial revolution then passed Haiti by, since Haiti could not industrialize itself or receive the fruits of industrialization through trade.

The plantations in Saint-Domingue were very industrialized for their time. Some scholars have described them as quasi-factories. The type of work that occurred on the plantations is similar to the type of work that developed during the industrial revolution. During the industrial revolution, there was demographic change as nations such as the U.S. and Britain became less agrarian and more urbanized as people moved to cities to work in factories (Ashton 15). Those nations followed the trend of industrialization and

their economies became focused on industrial output. As a result, those countries saw sustained improvement in living conditions and gains in real wages (Khan 10).

Saint-Domingue was already rather industrialized before Haiti declared independence because plantations were capital intensive with heavy equipment as a necessity. Haiti went against the trend of industrialization because the former slaves were determined not to work on plantations after achieving their freedom. That is due to the oppressive labor laws that restricted their movement and kept them bound to the land as laborers. Due to the lack of free markets in labor, laborers didn't get to share in the wealth that plantations created. With no free markets for labor, the workers got nothing out of the plantation system, which undermined its viability. If there had been free markets for labor, the plantation workers would have shared in the gains from trade, so they might have been more receptive.

As subsistence farming became more entrenched, Haitians shifted their economy towards the type of economy that the U.S. and Britain were abandoning. An industrialized model built wealth for Saint-Domingue, and it would have likely offered greater wealth for the Haitian people after independence, since it would have enabled them to use a specialized division of labor. However, such a situation was never feasible or practical. "The plantation system, therefore, no longer prevailed in Haiti because the social relations of production that determined it as the characteristic unit of production had been abolished" (Dupuy 99). The lower-classes finally prevailed in the dispute about whether plantations or smallholdings should be the structure of the economy, so peasants were free to continue producing for subsistence.

The elites who preferred the plantation model could not reverse the production decline of cash crops for export. The output levels appear in the following table (Rouyer; Tableau; Lundahl 126; Heintl and Heintl 143; Heintl and Heintl 169; Nicholls 69; Leyburn 114):

Table 8: Sugar and Coffee Production from 1789-1843

Year	1789	1791	1795	1801	1822	1826	1842-1843
Sugar (weight in pounds)	138,616,494	163,405,220	1,663,398	26,500,000	652,000	32,000	6,000
Coffee (weight in pounds)	76,286,530	68,151,180	2,136,023	43,000,000	37,198,000	32,000,000	35,000,000

The decline in production during this period is shown in the following graph:

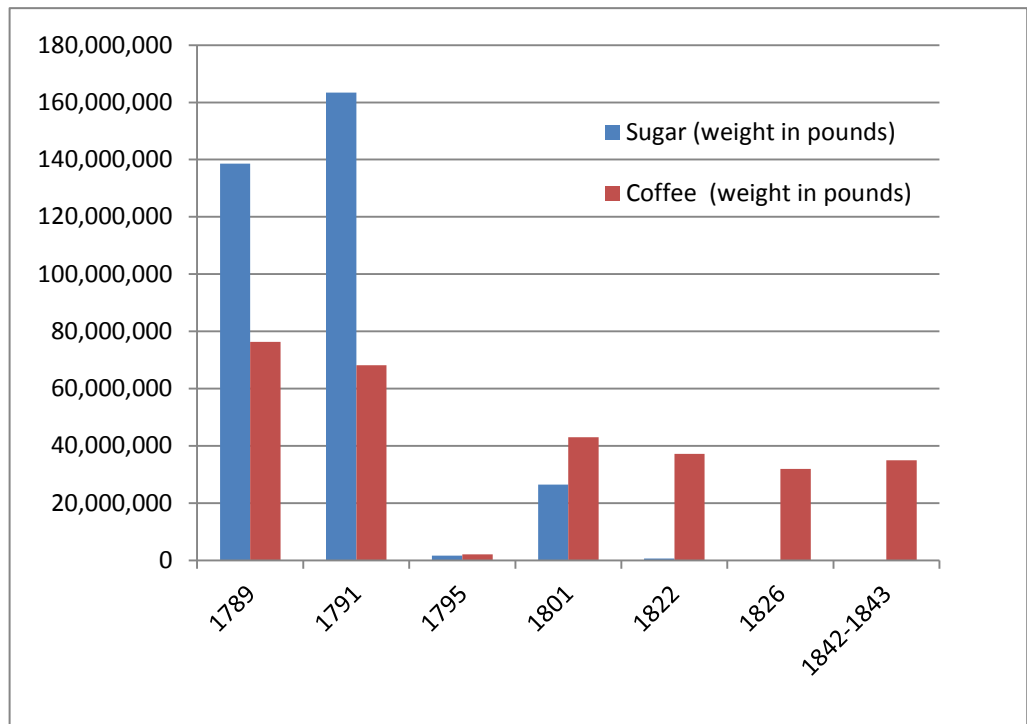


Figure 3: Graph of Production from 1789-1843

During this period, the economy changed completely. The plantation system was gone and large-scale agriculture declined tremendously. Once small-scale farming was solidified, sugar production virtually ceased. Sugar production once totaled in the hundreds of millions of pounds, but by 1842, Haiti produced only 6000 pounds of sugar

(Nicholls 69). From the peak of production in 1791 to 1843, sugar production declined by 99.996%. Coffee production also struggled mightily. From the peak of production in 1789 to 1843, coffee production declined by 54%. In 1843, Haiti produced 35,000,000 pounds of coffee (Leyburn 114). That quantity was a slight uptick from the production of previous years, but the increase was solely due to an increase in population (Bulmer-Thomas 470).

As the nineteenth century progressed, Haiti generated small increases in total production, but the per-capita production declined steadily throughout the century (Bulmer-Thomas 470). In 1843, Boyer abdicated and fled to Jamaica due to increasing hostility among soldiers and peasants towards Boyer's regime. By this time, Haiti's economic and social structures were largely solidified, with peasants continuing to produce for subsistence, with little focus on the production of cash crops. As a result, sugar production ceased entirely following Boyer's abdication, and coffee production continued its marked decline on a per-capita basis throughout the subsequent decades. This change completed Haiti's transition from large-scale plantation agriculture to small-scale subsistence farming. "By 1848, the social and economic structures of Haiti had been decisively transformed" (Dupuy 98).

Chapter 5: Conclusion

The central question in Haitian history is how could a country that was once so rich become so poor? How could a country as incredibly poor as Haiti arise from a colony that was as economically prosperous as Saint-Domingue? Saint-Domingue already had the infrastructure and plan in place to promote a robust economy. Ideally, the former slaves would have claimed the wealth production capabilities of the colony for themselves following independence. Destroying the wealth entirely was not productive. The economic productivity of Saint-Domingue created an opportunity for Haitians to develop a wealthy, prosperous nation, but that did not occur. Saint-Domingue was once the wealthiest, most profitable colony in the world. As the world's most productive colony, it produced 60% of the world's coffee and 50% of the world's sugar. Unfortunately, it went from the wealthiest colony in the world to the poorest country in the western hemisphere. Haitians now live in dire poverty, with few amenities or necessities.

A crucial contributor to Haitian underdevelopment is that the Haitian Revolution left much of the land and physical infrastructure in ruins. Plantations required machinery and equipment in order to produce agricultural products. They required mills, aqueducts, irrigation systems, and other machinery that made them very advanced for their time. However, years of warfare destroyed the plantations and their capital equipment.

Another key contributor is that Jean-Pierre Boyer paid an indemnity to France in order to gain recognition and trade rights. This policy generated extreme animosity because these payments were compensation for lost slaves and lost property during the

Haitian Revolution. Not only was this an insult to national pride, but it also left the country severely indebted. In some years, 80% of the budget went to indemnity payments, leaving nothing available for education, healthcare, economic development, or any other productive endeavor.

The most significant factors that have left Haiti poor and underdeveloped are the lack of investment, the loss of trade relationships, and the transition from a plantation economy to a subsistence economy:

Haiti did not possess trade relations with other countries, so they lacked markets for their products. The major western nations placed embargoes and boycotts on Haiti, which left insufficient trade relationships. Trade was crucial because the economy relied on producing goods for export. The main products were sugar, coffee, and other cash crops. Saint-Domingue had built incredible wealth by producing and trading those goods. Due to the colony's high productivity, Saint-Domingue thrived by generating enormous gains from trade. However, the colony could only build wealth if such trade actually occurred. When this trade broke down, famine and recessions resulted. Some of the initial rulers of Haiti recognized the significance of creating international relationships, but foreign hostility left Haiti isolated. In order to make plantations viable, Haiti needed trade relationships with international partners. However, due to the lack of trade relationships, Haiti could not build wealth by generating profitable trade. Without markets for their products, subsistence farming became more necessary to produce the food they needed.

Haiti also lacked sufficient investment. Due to the lack of investment, Haiti was not able to develop the infrastructure and productive capacity that could support growth.

Investment created an advanced economy for Saint-Domingue, and it could have done the same thing for Haiti, but Haiti did not receive sufficient investment to increase its industrial output. Investment was necessary to rebuild the economy that was destroyed in the war. Haiti needed foreign investment in particular because Haitians did not possess enough wealth to promote investment domestically. However, the Haitian Constitution prohibited foreign investment and foreign property ownership. Foreigners were also unwilling to invest in Haiti following a slave revolt and the massacre of white residents. Foreign nations did not want to legitimize the revolt by supporting Haiti. Both Haitians and foreigners prohibited foreign investment in Haiti, which did not allow Haiti to develop an advanced plantation economy. As a result, Haiti could not obtain the inputs necessary for a developed economy.

The economy transitioned from plantation farming to subsistence farming. Plantation agriculture produced cash crops that were more valuable than subsistence farming, which created immense wealth. By producing valuable, marketable goods, Saint-Domingue became the wealthiest colony through profitable gains from trade. However, the ex-slaves always dreamed of owning their own land and they opposed the idea of plantation labor. Due to their perceptions of plantation labor, they never allowed a plantation system to develop. Similarly, workers did not benefit from the plantation wealth. Restrictive labor laws made plantation labor after independence strongly resemble the condition of labor during slavery. Rulers used oppressive labor practices to exploit the laborers and extract the gains for themselves, which ensured that the workers would oppose the plantation system. When Alexander Petion broke up the large estates and sold small parcels to individuals, plantations became unfeasible because they

required large, intact plots of land. By abandoning plantation agriculture, Haiti could no longer build wealth because it stopped producing valuable goods that generated sustained profits.

Although Haiti was once the most valuable colony in the world, it could not preserve the wealth that Saint-Domingue once possessed. Through a conflux of internal and external factors, Haiti was unable to maintain or develop an advanced economy. Due to domestic policies towards other nations, international policies towards Haiti, conflict between Haitian rulers and the general population, and the economic desires of former slaves following the Haitian Revolution, Haiti did not develop or grow throughout the nineteenth and twentieth centuries. Instead, Haiti became an undeveloped nation of rural, subsistence farmers that was antithetical to the previous colonial economy.

Appendix

Table 1: Saint-Domingue Coffee Production from 1755-1790

Year	1755	1764	1767	1774	1790
Weight (in pounds)	7,000,000	15,000,000	15,600,000	40,000,000	77,000,000

Table 2: Saint-Domingue Coffee Production Measured in Livres from 1767-1788

Year	1767	1783	1784	1787	1788
Value (in Livre currency)	12,000,000	48,800,000	48,800,000	71,500,000	71,500,000

Table 3: Cash Crop Production from 1783-1789

Year	1783	1784	1785	1786	1787	1788	1789
White Sugar	77,389,113	65,030,050	66,589,357	71,063,967	68,183,403	70,227,709	47,516,531
Raw Sugar	44,312,919	77,340,464	83,610,527	61,887,814	72,898,676	93,177,512	91,099,963
Coffee	44,573,479	52,220,095	57,885,109	52,120,311	70,003,161	68,151,181	76,286,530
Cotton	4,871,718	4,750,814	4,486,261	5,203,161	6,806,174	6,286,126	6,871,204
Indigo	1,868,722	1,580,142	1,546,575	1,103,907	1,166,177	930,016	958,628

This table identifies the production of the major cash crops in Saint-Domingue from 1783-1789. The quantities are measured by weight, in terms of pounds.

Table 4: Cash Crop Production from 1783-1791

Year	1783	1784	1785	1786	1787	1788	1789	1791
White Sugar	77,389,113	65,030,050	66,589,357	71,063,967	68,183,403	70,227,709	47,516,531	70,227,708
Raw Sugar	44,312,919	77,340,464	83,610,527	61,887,814	72,898,676	93,177,512	91,099,963	93,177,512
Coffee	44,573,479	52,220,095	57,885,109	52,120,311	70,003,161	68,151,181	76,286,530	68,151,180
Cotton	4,871,718	4,750,814	4,486,261	5,203,161	6,806,174	6,286,126	6,871,204	6,286,126
Indigo	1,868,722	1,580,142	1,546,575	1,103,907	1,166,177	930,016	958,628	930,016

This table shows production in terms of weight, measured in pounds.

Table 5: Decline in Production from 1789-1795

Year	1789	1795
Sugar (weight in pounds)	138,616,494	1,663,398
Coffee (weight in pounds)	76,286,530	2,136,023
Cotton (weight in pounds)	6,871,204	48,098
Indigo (weight in pounds)	958,628	4,793

Table 6: Cash Crop Production from 1789-1802

Year	1789	1795	1801	1802
Sugar (weight in pounds)	138,616,494	1,663,398	26,500,000	52,674,268
Coffee (weight in pounds)	76,286,530	2,136,023	43,000,000	34,328,939
Cotton (weight in pounds)	6,871,204	48,098	240,921	3,985,298
Indigo (weight in pounds)	958,628	4,793	N/A	N/A

Table 7: Sugar Production from 1818-1826

Year	1818	1820	1822	1826
Sugar (weight in pounds)	6,000,000	2,500,000	652,000	32,000

Table 8: Sugar and Coffee Production from 1789-1843

Year	1789	1791	1795	1801	1822	1826	1842-1843
Sugar (weight in pounds)	138,616,494	163,405,220	1,663,398	26,500,000	652,000	32,000	6,000
Coffee (weight in pounds)	76,286,530	68,151,180	2,136,023	43,000,000	37,198,000	32,000,000	35,000,000

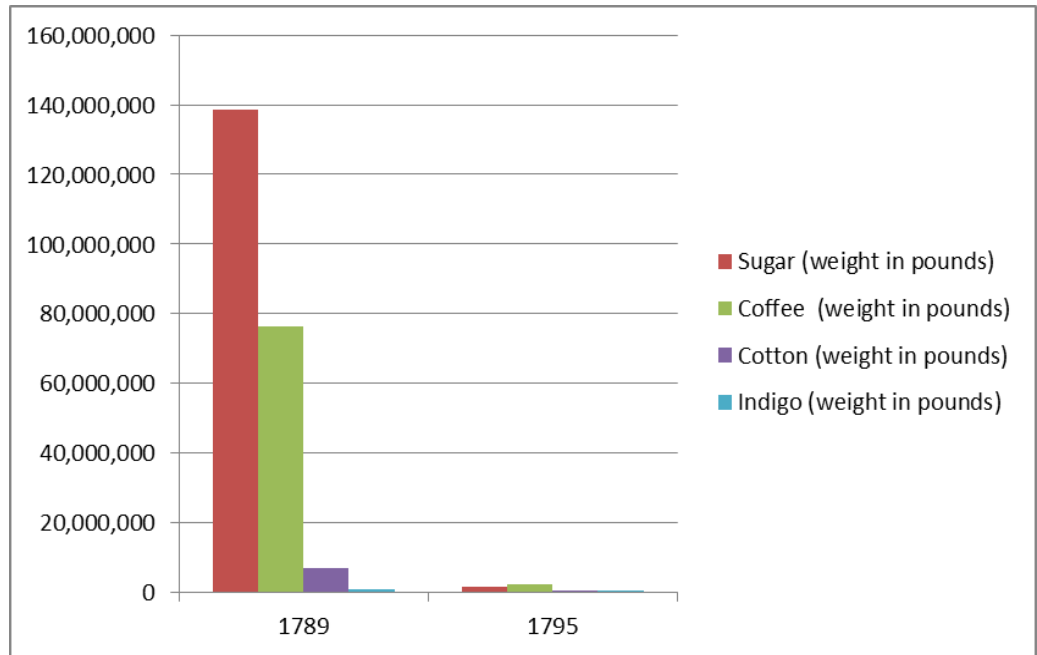


Figure 1: Graph of Production from 1789-1795

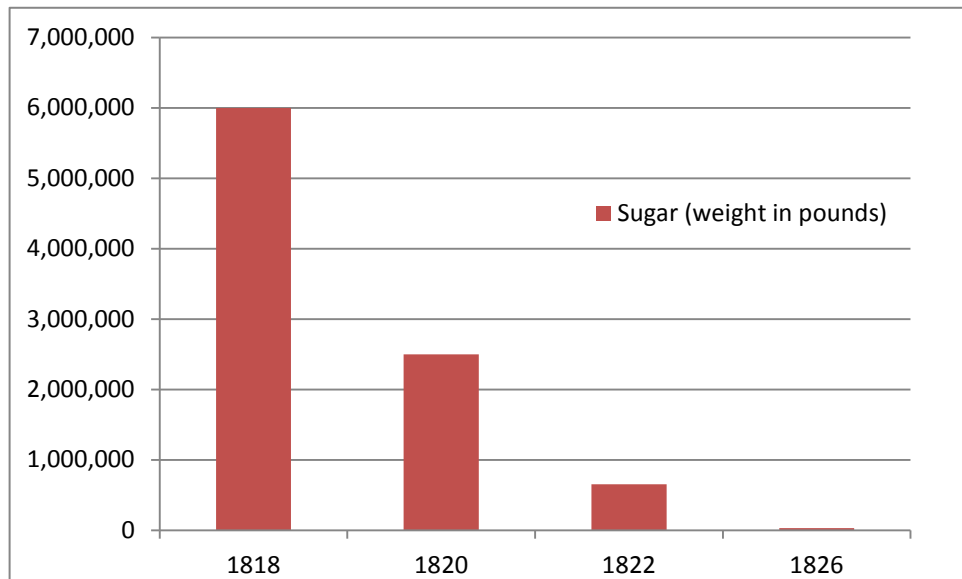


Figure 2: Graph of Sugar Production from 1818-1826

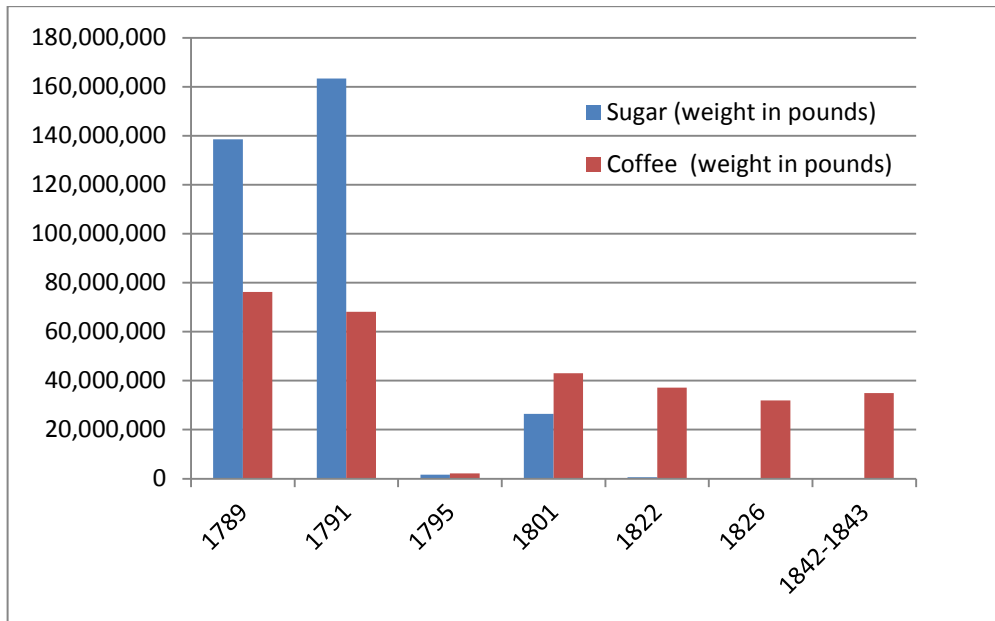


Figure 3: Graph of Production from 1789-1843

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