BEYOND RACISM AND POVERTY
The truck system on Louisiana plantations and Dutch peat areas, 1865-1920
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SUMMARY
The truck system, a non-cash payment system in which workers were paid wholly or partly through the company store, was a global phenomenon in the nineteenth century and early twentieth century. However, the general literature has not discussed this system beyond national boundaries. In order to understand the truck system as a more general and global phenomenon, this dissertation analyzes the system on a broader international comparative level and offers an explanation for its emergence, persistence, and decline.

The truck system as such has been analyzed by historians, though few of them have looked further than the ‘exploitation’ stories concerning coercion and poverty. They have focused on the experiences of the workers only, and have excluded the experiences of the employers. In order to explain why the truck system occurred, it is necessary to understand its functioning. By treating both the employers and the workers as rational individuals who balanced costs, risks, and opportunities, this study tries to distance itself from the ‘moral debates’ on poverty and racism. It investigates and explains the truck system by comparing Louisiana plantations to Dutch peat areas in the period 1865-1920. This comparative approach in combination with the rational choice-approach provides new insights on how the truck system worked.

When viewed from a broader perspective, the literature on this system in the context of the U.S. and in the Netherlands remains inconclusive on several vital questions. The American historiography has incorporated the truck system into the discussion of re-enslaving the former slaves, and suggests that truck payments were linked to slavery and debt peonage. However, the system existed as well in countries that did not have a history of slavery, such as the peat areas of Netherlands. This dissertation shows to what extent the truck system in Louisiana after 1865 was an integral part of the re-enslavement of the former slaves and to what extent it was non-racial and similar to international social developments in the same period. The study reveals that race was no necessity for the truck system to emerge on plantations. Both black and white workers worked on plantations and were paid in truck, and no differences existed considering the amount of cash payments and credit provided. Therefore, to a certain extent, the truck system in Louisiana was non-racial. Additionally, the comparison showed that in other countries white workers were paid in truck as well. The truck system was applied to all low-class and poor workers, which indicates
that the system in itself was not racist, but class oriented. Louisiana planters were willing to exploit everyone of the lowest class; they did not only pay black workers in truck. Therefore, it is likely that racism played a different role in the way workers were paid.

This dissertation shows that at some points the truck system in Louisiana was indeed a racist system. It was easier to exploit black plantation workers. Most workers were black and they had fewer opportunities to effectively resist the truck system compared to white workers. The black plantation labor force suffered from racial discrimination and intimidation very much unlike the white plantation labor force and Dutch peat workers. Due to the racial and violent climate that emerged after the abolition of slavery in the U.S. South in 1865, the black workers lacked opportunity to resist their employers. In the end, the fewer opportunities the workers had to raise their voices against the truck system, the easier they could be exploited. Protests against the payment in plantation tokens in Louisiana occurred during the Reconstruction Period. In this period, former slaves were relatively free, because they were allowed to vote, had the same rights as whites, and could stand up for themselves with help from the Freedmen’s Bureau. This changed after the 1887 Thibodaux massacre and the installment of the Jim Crow legal segregation of the 1890s. In this period, Louisiana planter’s opportunity to install the truck system increased and persisted for a longer period of time compared to the peat employer’s opportunity.

The comparative and systematical rational choice in this research led to new insights about the Dutch peat workers in the period 1880-1920 as well. The truck system in the Netherlands has been incorporated into the debate on the level of poverty of the peat laborers. This dissertation investigates whether the truck system increased the poverty of the peat laborers. The consumption of food was one of the aspects historians have used to measure poverty. This study shows that through the peat employer’s store, peat workers had access to more luxurious products. These findings suggest that the truck system and the peat employer’s store did not necessarily increase the worker’s poverty. The truck system was a – though often short term and not always effective – solution of the problems of both the peat employers and workers. It seems that the poverty in the peat caused the emergence of the truck system instead of the other way around.

In addition to analyzing Louisiana plantations and Dutch peateries, this study includes a model to understand under which circumstances the truck system existed and which elements were most important. It shows that the ultimate causes were the employer’s financial difficulties, the worker’s demand for products (the carrot), and the opportunity to force the workers (the stick). Without these three ultimate causes, the truck system would not have emerged. Proximate causes relating to the financial difficulties were the insecurity of the crops or peat produced, the lack of credit and cash available, the employer’s dependency on credit, competition from other industries
or regions, and in Louisiana the decrease in profit and productivity after the emancipation of the slaves. Proximate causes relating to the worker’s demand for products were related to isolation and consumerism in combination with lack of credit. This demand decreased during the last decades of the nineteenth century when isolation was reduced and more alternative markets emerged. The carrot-component became less effective, and the stick-component more important. The proximate causes relating to the employer’s opportunity to use ‘the stick’ were class, political situation, and power relations: in Louisiana related to racism and in the Dutch peat regions to a labor surplus.

When all these circumstances occurred, the truck system emerged and persisted, and when they changed, the truck system declined. The system declined when the employer’s opportunity to apply it decreased, due to political debates and legislation. The major difference between Louisiana and the Netherlands explains why the truck system disappeared earlier in the Netherlands compared to Louisiana. The fewer options the workers had to raise their voices against their employers and the truck system, the longer the truck system could exist. In the Netherlands, abolishment by the 1909 law in combination with a decline of the unemployment rate during World War I caused its disappearance. This study indicates that the increase in violence, the continuing racist environment, and the end of labor protests after 1887 influenced the increase in truck payment methods in Louisiana. The opportunity of the planters to use the truck system as a stick did not decrease. Racism and violence persisted and the truck system did not disappear at least until the 1950s.

The results of this study differ from the results of most historians. When describing the truck system, the majority has focused on one country, and on the disadvantages and negative effects of the truck system for the workers. This study contributes to knowledge on this highly-debated and socially sensitive subject with its accompanying biases by systematically analyzing the cost and benefits – rational choice – of the truck system for the employer and employees. It incorporates all aspects and of both actors of the truck system’s explanatory story, identifying more contributing aspects that explain the truck system, and undermining the image of the truck system as a solely exploitative system. It shows that the exploitative-story is – though an important side – merely one side of the entire story. By investigating further and broader, it offers a more complete picture.