

“Invest like a woman because money is power”: Evidence from Cape limited liability company records, 1892–1902[‡]

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Abstract: This paper uses records from limited liability companies to examine how women used joint stock companies to escape the financial dependence imposed by social and economic institutions of the late 19th century Cape Colony. Research on financial developments at the Cape has mostly looked at the role of men, yet new records we consulted for this study show that women were also important financiers of companies. Given that they were prevented from participating in many of the income generating activities at the Cape, their presence in the capital market could indicate a willingness to manipulate social norms for their financial independence. To support this idea, we studied company records to find out why women financed joint stock companies. We discovered their identities, marital status, occupations, geographic location and investment behaviour and choices, providing unique insights to how women accessed private capital markets.

1. Introduction

Evidence suggests that men invested more than women in North American stock markets (Malefyt and McCabe 2020). The title of this paper is therefore derived from a statement shared by *Ellevest*, an investment company founded by women ([Ellevest](#) 2014). Its calls for women to use financial markets to attain economic freedom also resonates with the objectives of women across many British colonies during the late Victoria period. Even today, women are often paid less than men for the same work, face gender stereotypes or usually bear the brunt of domestic work and childcare (Leaver 2017). Since Cape women faced similar challenges in the nineteenth century, we use their philosophy to shine a light on how joint stock companies may have provided similar opportunities to them. Limited liability, the core principle of the joint stock company, was hailed as a revolutionary technology when it was first introduced in the nineteenth century (Micklethwait and Wooldridge 2003). Prior to its inception, financial losses in business ventures trickled down to the personal property of business owners.

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To safeguard against this, it was decided to consider the persons composing a company as acting not together but as an entity. In a limited liability business partnership, the action would thus be independent of themselves (Cooke 1950). When the English Joint Stock Company Act of 1844 was promulgated, business relations changed in Britain as losses in joint business arrangements were now limited to the amount each partner or shareholder contributed towards the venture (Micklethwait and Wooldridge 2003). This changed the nature of the capital market, creating greater access to smaller parcels of shares with downside risks limited to the initial equity value. The practice of buying and selling shares was no longer limited to wealthy merchants, capitalists and businessmen, but could be extended to people of moderate means and those who had been deliberately excluded from most economic activities. Women featured prominently among the new investors.

During the mid-Victorian era in Britain, women were at the centre of Parliamentary debates about the morality and advisability of making limited liability available to joint stock companies. Because of their perceived vulnerability and lack of business prowess, they were viewed as victims of joint stock companies (Rutterford and Maltby 2008). James Freshfield, solicitor to the Bank of England from 1820 to 1840, confirmed this earlier perception when he referred to “the loss and ruin in which persons ignorant of business, particularly ladies and clergy, have been involved by attractive baits held out by speculators in the form of shares” (quoted in Rutterford and Maltby 2008: 119–120). Women were perceived to be short of funds, like the clergy, many of whom barely survived on small stipends, and, worse, lacking judgement on financial matters. The societal conclusion was that women had little experience in the financial world, and were likely to have a poor understanding of risk, with unrealistic expectations of returns.

On the contrary, Rutterford and Maltby (2008), together with many other scholars, show that there was a substantial number of female investors in the nineteenth century, and attribute it to the development of new financial assets. To support their observation, Froide (2017) shows that as early as the eighteenth-century women were actively involved in money-lending markets. They played a significant role in financing important industrial infrastructure, such as canal and railway companies. But in the nineteenth century, their participation in the economy became severely constricted by the “separate spheres” culture (Freeman, Pearson and Taylor 2006) which further entrenched gender roles. They were dissuaded from participating in the financial world and allocated the role of house bearers (Davidoff and Hall 2002). Although there is little evidence of women investing in the Cape Colony prior to the nineteenth century,

they too were actively involved in economic activities and took part in money-lending schemes. After the second British occupation in 1820, Ross (2004) argues that gentility became the norm for women. From this point onwards, it was contrary to the ideal womanly image to take part in activities in the public sphere for financial gain. This paper, therefore, broadens our knowledge about Cape women by showing that not all women conformed to this ideology. They found ways to navigate the economic sphere despite being subjected to restrictive institutions, and that the capital market was a vehicle they used to attain economic freedom.

2. Framework and methods

Studies of the experiences of women investors in Victorian Britain were relevant to this paper, because events in Britain influenced business at the Cape – the Cape Joint Stock Company Act No. 25 of 1892 was based on the later versions of the English Companies Act of 1844 – and British culture influenced gender relations. We found Davidoff and Hall's (2002) "separate spheres" theory a suitable framework for analysing women investors at the Cape. The idea that men and women should act in separate spheres narrowed the range of activities that middle-class women in Victorian Britain could engage in, relegating them to the private sphere, where their sole duty was to nurture children and manage the household. Men on the other hand were given the public sphere, where they could work and earn salaries (Gordon and Nair 2000). Within this view of society, women who engaged in waged labour put themselves at risk of transgressing the boundaries of gentility. The few who were active in the economy were overwhelmingly concentrated in four overcrowded and poorly paid occupations – governesses, seamstresses, milliners, and ladies' companions (Green and Owens 2003).

Shareholding in limited liability companies became a commonly accepted way for women to generate income. Although some scholars have cast doubt on the extent of their participation in the capital market, Green and Owens (2003) described this as "gentlewomanly capitalism" (a play on Cain and Hopkins's (1986) "gentlemanly capitalism"). This is because women's wealth was of crucial importance to the expansion of the British state by means of investments in government securities. Many scholars have tried to explain the rapid increase of female investors in the nineteenth century, and the Women's Property Acts of 1870 and 1882 in Britain have featured prominently in this discussion because shares counted as property for separate use as equity (Holcombe 1983).

The Acts played a big part in giving women financial freedom, and Freeman et al. (2006) note that the growth of the railways was another possible stimulus, because it attracted more women

to the city than the earlier stock ventures. The railways stimulated the growth of the financial press, making information on stock and markets readily available to women. Rutterford and Maltby (2008) note that women's involvement in the securities market was influenced by their different needs and backgrounds. They identify three categories of Victorian women: housewives, spinsters and widows. The first tended to speculate for capital gain. The second usually sought income from investments in order to lead a life befitting their social status, being anxious to steer clear of the degradation associated with paid work. The third on the other hand tended to hold shares as part of a family group, either as a source of income, to ensure control of the firm, or to act as conduits of shares to the next generation. The spinsters were the largest group of investors, although their investment value was lower than the average for women in general (Green and Owens 2003).

Freeman et al. (2006) note the variety of women investors' occupations in eighteenth and early nineteenth century Britain. These investors were recorded, for example, as ladies, housewives, artists, servants, confectioners, butchers, housekeepers, drapers and grocers. Some, particularly widows and spinsters, were recorded as business proprietors. Financial organisations, because they generated regular and fairly high dividends were a popular investment choice. Family shareholdings were popular. In most instances, having neither the networks nor the professional advice that were available to men, women invested where people with the same surname had invested. The societies, clubs, inns and public houses that men used to network were hostile to women (Doe 2006).

3. Data

When the Cape Companies Act of 1892 was promulgated, every joint stock company had to register its operations with the registrar of companies. This created an archive of 2997 company records and more than 10,000 investors in the Cape Archives Depot (CAD). This paper is based on records of registrations from 1892 to 1902, the end of the South African War. Political relations after this period probably had important implications for financial developments at the Cape, so registrations from 1902 to 1910, the year of the South African Union, will be material for a different study. From 1892 to 1902 a total of 6883 investors in the Cape capital market were registered, 374 of them women, with investments in 67 companies. We identified these women by using company shareholder lists. Green and Owens (2003), and Rutterford and Maltby (2008) used similar records to identify women investors in Victorian Britain, with the difference that they collected data from publicly traded companies whereas we used

privately traded companies. Although Cape women may have invested in public companies in Britain or even the Johannesburg Stock Exchange, the Cape during the period under study did not have an active stock market. Therefore, all joint stock concerns in our archive were privately held at the time of registration. These records provide investors' name, surname, occupation, marital status, address and capital value. As mentioned in the previous section, the separate spheres theory provided an ideal context to analyse Cape women investors. For this reason, women in this study fall under the umbrella category of middle-class investors. The middle-class was the largest group of investors in the capital market, injecting more capital into joint stock companies than any other group. Women made up 17% of this group of investors and contributed 19% of its capital.

4. Gendered roles at the Cape

Various suggestions have been put forward to explain the adoption of gendered roles at the Cape. One is that a move to the colonies gave men with declining rural squirearchy in Britain an opportunity to regenerate their authority, which had been threatened not only by the rise of a new manufacturing class but also by a working class that included women. Another is that in the late nineteenth century women's reproductive capacity at the Cape had become essential for establishing the settler society and building its economy. Their position, then, became influenced by new economic needs. As a result, colonial authorities established mechanisms that controlled the extent to which married white women could commit themselves to formal employment. This was specifically designed to prevent wage labour from interfering with their "proper duties" at home (Walker 1991).

A rather common explanation is simply that the Cape, like many other colonies in the empire, adopted British culture. The early Dutch and later Afrikaner societies also prescribed specific roles for men and women. By the second British occupation of the Cape in 1820 the emphasis was on gentility, which could be acquired by various means. Ross (2004) attributes it to the Cape's education system, which, with its concern for moulding character, was instrumental in teaching children the roles they were expected to fill later in their lives. Once finished with nursery school, boys and girls were taught differently. Girls were not prepared for any profession, but for a life as future wives and mothers. Subjects such as domestic economy and sewing were at the centre of their curriculum, while mathematics and other scientific studies were prioritised for boys, as they were moulded to become future intellectuals, professionals and leaders.

Religion was another influence in conditioning the way individuals viewed themselves. Christian doctrine taught the roles women were expected to play in the family and the society. It would be misleading to assume that all women were dissatisfied by this arrangement; some found comfort in being consumers, rather than producers like the men. Duff (2006), in her work on the College Girls Huguenot Seminary School, shows that while some women appreciated education, they believed that it was not supposed to interfere with their domestic roles. She quotes a letter in which a student emphasised that the power of an educated woman was not in her ability to lead, but her role as a “gentle and mild” wife and mother.

Despite these restrictions on the spaces that women could navigate, some did deviate from what was expected from them, showing that despite the way they were conditioned to perceive themselves, they still possessed the same curiosity about life as men did. Such incidents increased in the mid-nineteenth century with the emergence of feminism and the idea of the “New Woman”. Both of these new trends supported unconventional lifestyles, which were becoming more common in Europe, such as joining political organisations, riding bicycles, wearing bloomers and cutting their hair short. Commenting on the values of the New Woman in a Huguenot Seminary School annual article, Maggie Ferguson, an alumna of the college, said the time had arrived for women to participate actively in life, and not vicariously through their husbands and fathers. She said the spirit of the age had produced “women who begin to think, crudely no doubt, on many questions, for she is still handicapped by her long submission; but above all has made woman no longer willing to be a mere consumer, she must also be a producer” (Duff 2006: 17).

Her remarks revealed not only how women were eager to penetrate the public sphere, but also how connected the colonies were with Britain. Letters were instrumental in maintaining this contact and keeping people abreast with what was happening in Britain. Literature was another important medium, as there was a big reading culture amongst the Colony’s elite women. This made them susceptible to prevailing ideological influences that shaped notions of social and gender behaviour, such as public media and novels (Erlank 1995).

Women’s voices at the Cape seldom made it into the public sphere. To highlight these social changes we use the example of Olive Schreiner – an outspoken writer who influenced feminist ideology not only at the Cape but also abroad in the mid-nineteenth century. Her first novel, *The Story of An African Farm*, published in 1883, drew a lot of attention from colonial society. Many women welcomed this book as it fed into their imagination through female characters

who occupied male positions in the story. Although some of her most revered works were posthumously published, they were drafted and set in the context of the late-nineteenth century when our study peaks. Therefore, the stories she shared in them shed light on growing feminist perceptions in the Cape Colony between 1870 and 1911. For instance, through the female character Bertie, her novel *From Man to Man, or Perhaps Only* suggested that modern civilisation had robbed middle-class women of their share in social labour, even in the sphere of child-rearing (Schreiner 1926). Mental and physical inactivity caused individual and social decline and degeneration. In one of her short writings, she praised women by stating that “You and such as you are the mothers of the South African nation of the future, and the shaping of that future lies in your hands” (Snaith 2014).

In 1872, after working as a governess, Schreiner joined her brother in Du Toit’s Pan in search of wealth. It was there that she drafted her first novels. Despite the harsh realities of “separate spheres” in the Colony, she believed that women had the capacity to change their fortunes. These beliefs were reinforced by her experience as a teacher at the Fouchés farm at Klein Ganna Hoek Farm, Cradock, in 1876. During those years she read John Stuart Mill’s *Logic*, a revolutionary piece that discussed possibilities for women’s existential independence, and how investment opportunities in joint stock companies could free them from socio-economic restraints (Snaith 2014).

Although her work did not directly comment on investment in these companies, her strong message about women as future leaders of South Africa shows that John Stuart Mill’s work resonated with her. Moreover, her interest in the diamond trade confirmed Sharpe’s assertion that women did not just fall victim to capitalism (Sharpe 1996). They too sought out the financial opportunities that came along with it. Her experiences mirrored those of other women. There were many of them who explored these avenues in silence and often their experiences were either not recorded, or the letters that they wrote were lost.

By 1902 media platforms such as the *Imperial Colonist* openly campaigned for the employment of women in various sectors of the Colony. Its first issue after the South African War advertised employment opportunities for women in sectors previously dominated by men, and prospects for vocational education. The jobs it listed for women were in the agricultural industries, education and the health sector (Bush 1994). This may have helped to build new identities among women who were inspired by the desire for economic freedom.

Despite all these influences that were preparing women in the Colony to become investors, access to securities during the period of our study was bound to be more difficult in the Colony than in Britain. British company promoters in the mid-nineteenth century designed mechanisms to educate women about financial markets (Green, Owens, Maltby and Rutterford 2011). The Cape did not have these, and this was a major handicap because dealing in company shares was dependent on information that could only be accessed in the public sphere. With the strong limits that were placed on women in the Colony, women had to devise new ways to obtain this information without overstepping their boundaries. The following section discusses how this was made possible.

5. Navigating the public sphere through the private space

The strategies women developed to navigate the public sphere during this period were not specifically tailored to help them access the equity securities market but more broadly to seek purpose and recognition in the economy. These efforts created foundations that were vital for women's participation in the capital market.

The earliest strategies by Cape women to navigate the public sphere can be traced to two British societies: the Female Middle-Class Society (FMCS) created in 1862, and the British Women's Emigration Society (BWES) founded in 1880. The FMCS campaigned for the protection and enhancement of the rights of working-class women. Formed in the height of feminism in Britain, this society encouraged young women to seek formal employment. It further shielded single and ambitious women from male prejudices about marriage and assisted women to make their own choices. The BWES on the other hand helped young women to emigrate to the colonies. Many mid-Victorian emigrants were seeking paid work to help them attain freedom and self-fulfilment (Bush 1994). Between 1884 and 1914 this society provided such assistance to about 20,000 women, of whom 2,705 went to the Cape between 1901 and 1906. The result was that during this period there was a generation of women determined to break the barriers to their participation in the economy. The South African Colonisation Society (SACS), formed in 1902, was an offshoot of those two societies (Bush 1994), continuing the campaign for the economic emancipation of women.

Evangelical societies were another strategy women used to navigate the public sphere. Following the French and American Revolutions, evangelical Christianity became increasingly popular in Britain. Fears of social dislocation scourged the British crown and forced it to seek ways of prohibiting societal moral decay. The solution was a resurgence of evangelicalism,

with philanthropy at the core of its ethos. In times of economic distress and social uncertainty, Christian faith, through self-discipline and self-sacrifice, offered a haven to preserve the soul. This often took several forms of charity, such as financial assistance, food, clothing and/or moral support to the underprivileged. This presented opportunities for women to participate actively in the economy, because they were placed at the helm of these operations due to their roles as moral guardians in the micro-family (Prochaska 1988).

In addition, charity work was generally socially acceptable for women. As a result, many women flocked to these societies. This was partly because they provided a legitimate occupation for middle-class women. Erlank says that religious convictions were not always the reason why women were fond of these organisations. There were underlying social and economic imperatives. This included power and authority over other women, and financial necessity (Prochaska 1988).

With the growth of philanthropic activities, administration duties escalated. For instance, women raised money for these activities through subscriptions, donations, and bazaars. These proceedings had to be monitored, and the solution was to equip members with skills such as bookkeeping, secretarial work and sewing (Prochaska 1988). This immediately challenged the perceptions about women in the Colony, as they were paid for some of the duties they carried out. Moreover, regular contact with the poor meant that they spent much of their time in public. This allowed them to step into different worlds and to interact with a variety of people.

Apart from meeting new people, members of these societies met regularly for various activities such as sewing (Prochaska 1988). Networks were created in this process, which in turn enhanced the transmission of information among women. For instance, the Ladies' Benevolent Society at the Cape was heavily involved in sewing programmes from the 1820s. It was one of the earliest female-led organised volunteer philanthropic work societies in the Colony. Women may have not been welcome in the coffee shops and public houses, but through such organisations they could acquire information that would have otherwise been limited to men. It is not far-fetched to argue that it was by means of such spaces that ideas to challenge gender stereotyping manifested through women's movements in the nineteenth century (Erlank 1995). For instance, in 1924 the Ladies Benevolent Society went on to establish a multi-racial school for girls (the School of Industry).

Such activities made it possible for Cape women to navigate their way into the securities market. In the absence of stock markets and structures to educate women on how to manage

their investments, word of mouth was very important. They came from different backgrounds, and some were privy to vital information that they shared with their peers.

6. Women investors at the Cape 1892-1902

As a first step towards understanding women's involvement in the capital market at the Cape we looked at where the money they invested came from. As we have already noted, very few of them had full-time employment. The most common source of income was inheritance from parents (Dooling 2005). Some young women in the Colony were so wealthy they were almost regarded as property themselves, because they brought their wealth into a marriage.

We then looked at the annual growth of the number of women investors in the capital market. Figure 1 shows that they had a very slow start in participating in the capital market. The first women investors were recorded in 1893. Their numbers rose substantially on the eve of the South African War in 1899, and the highest number for the period 1892 to 1902, 28% of the total, was in 1902, after the war.¹

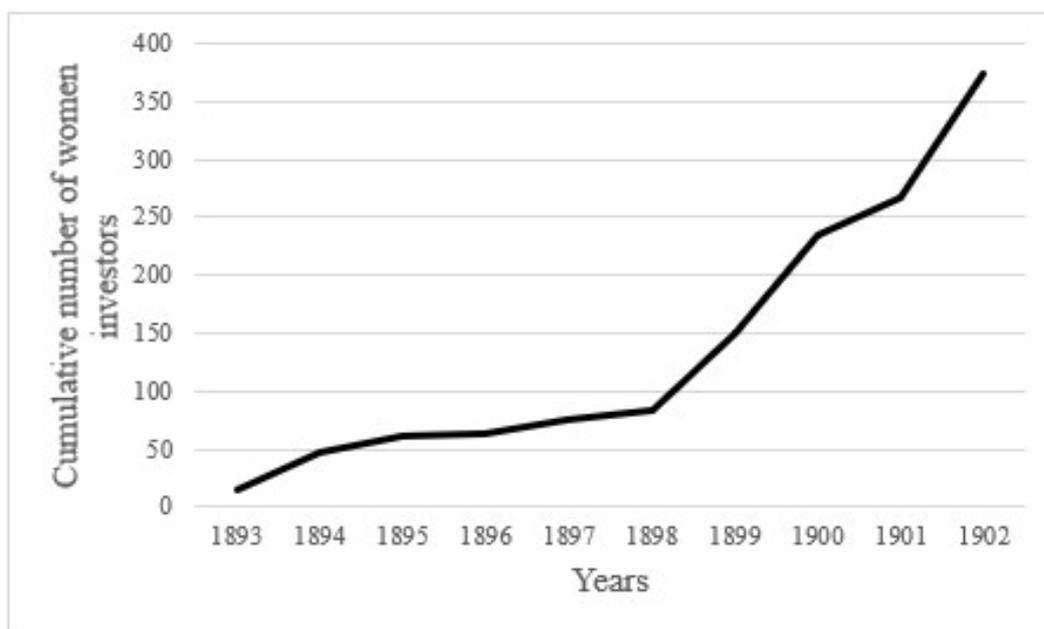


Figure 1: Cumulative number of women investors in the Cape capital market, 1892–1902.

Source: CAD, LC 1 – LC 467, 1892–1902.

Two possible explanations for these steep increases may have been the proliferation of feminist ideas on economic control, but also the uncertain outcomes of the war and the pursuant effect

¹ CAD, LC 1 – LC 467, 1892–1902.

on inheritance. As regards the former, Bush’s work (1994) has shown that there was a rapid increase in the number of women’s societies in the Colony during this period, and this, together with the impact in 1902 of publications like the *Imperial Colonist*, may have inspired women to explore and exercise economic freedom in various ways, which may have included investing in joint stock companies. As regards the latter, the likelihood that many women were going to be widows after the war was high. The war, and the escalating turmoil between the British colonists and the Dutch republics, may have influenced women to start thinking about a possible future alone. Securities in joint stock companies were a practical safety net to help women raise their children if their spouses died in the war.²

Appendices 1 and 2 show that 50% of women investors from 1892 to 1902 came from the western region of the Cape. They contributed 63% of the total capital invested by women during this period. On the other hand, 29% of women came from the eastern region of the colony and contributed 21% of the total capital. Women from the northern region, together with those from Europe and neighbouring territories, constituted less than 10% of women investors and contributed less than 10% of the capital. Figure 2 below sheds more light on this by showing the annual geographic distribution of women in the Cape capital market.³

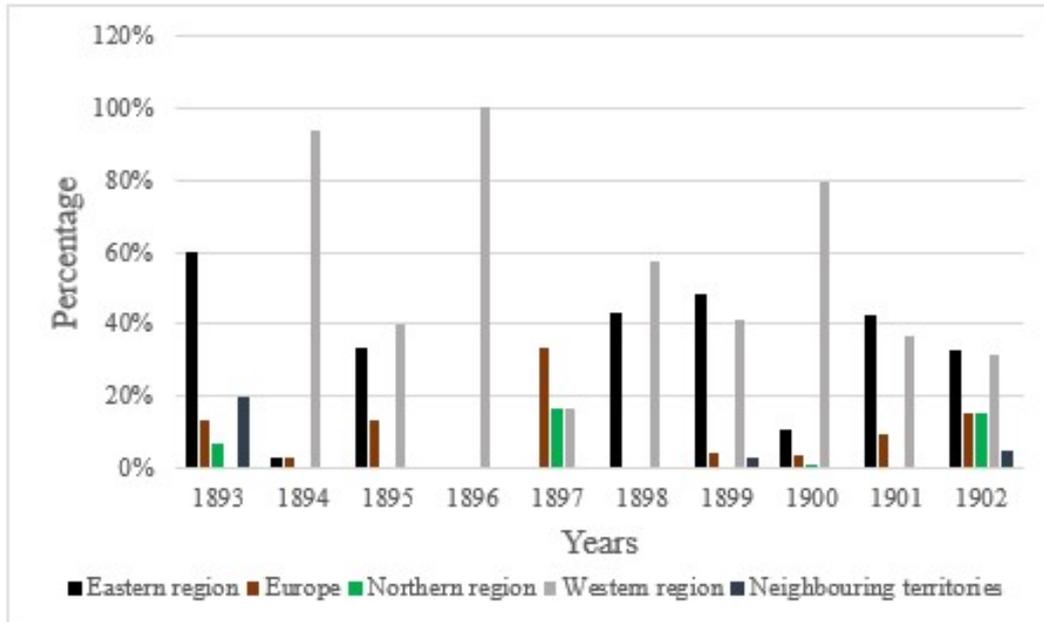


Figure 2: Annual distribution of women investors at the Cape, 1892–1902.

Source: CAD, LC 1 – LC 467, 1892–1902.

² CAD, LC 1 – LC 467, 1892–1902.

³ CAD, LC 1 – LC 467, 1892–1902.

Given the 1895 boom in mining shares, we expected to find that women investors from the northern region would constitute a large proportion of the capital market in that year, but in fact their numbers dropped between 1893 and 1897. This may have been because this was largely a mining region and the number of women would be small (Van der Merwe et al. 2010). It may also have been because during this time only foreign women, mostly British, really invested in the mining sector. Local women investors shied away from mining companies and explored securities in companies involved in other sectors of the economy. They only started investing in mining companies in 1902.

Although women constituted only 7% of the investors in the Cape capital market, importantly they were as diverse as the women investors in Britain. The only difference was that whereas share ownership in the British capital market came mostly from widows and spinsters, at the Cape it largely came from housewives. In contrast to what one would have expected, this was not in any way due to the 1870 and 1882 Married Women's Property Acts, because there is no evidence of these laws in the Cape Colony. Using occupational information provided by women in the shareholders lists, we classified Cape women investors into seven main categories (Figure 3).⁴ Housewives made up 63% of this group, possibly because there were far fewer women than men at the Cape, whereas in Britain women outnumbered men by nearly 10% in the manufacturing and port cities of Manchester, Leeds, Bristol and Liverpool (Green and Owens 2003). This may have greatly influenced the profile of female investors, as many of them were obliged to get married. They were likely to marry at a young age, and few of them lived for any length of time as unmarried women. A remark in a letter written by a Mrs Emma Rutherford, a Cape resident in the nineteenth century, epitomises the importance of marriage in the Colony: she wrote that "no greater calamity can befall us than that... our daughters [are] not given in marriage" (cited in Ross 2004: 90).

⁴ Although the titles housewife, spinster, widow and lady cannot be easily classified as occupations, women at the Cape, as well as Britain in the mid-Victorian era, listed these as their occupations.

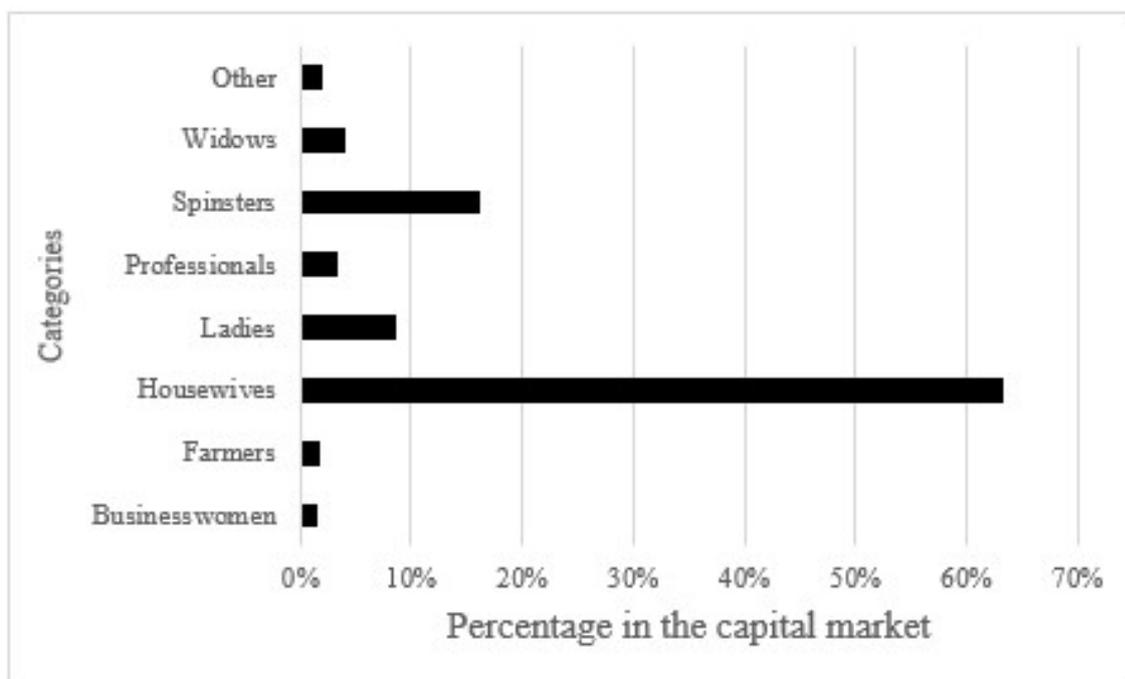


Figure 3: Profile of Cape female investors, 1892–1902.

Source: CAD, LC 1 – LC 467, 1892–1902.

The Victorian idealisation of the role of the housewife may be another reason why the Cape capital market had few women investors who were professionals, farmers or businesswomen. Furthermore, the share ownership of farmers and business owners in this category is also questionable, because none of these women invested in companies independently. All the investments that were made by female farmers and business owners were in companies where their spouses (who were also farmers) were either directors or shareholders. These were unlike the cases of the women who were professionals, who had evidence of income.⁵

“Ladies”, although occupying a higher status, were no different from housewives when it came to investments, because they too were married women. They made up only 9% of our sample, which made them the third largest group. Their small number at the Cape, when compared to the British capital market, can be attributed to the fact that there were not many members of the titled aristocracy at the Cape.

Spinsters and widows, on the other hand, were the only investors in this group who had the privilege of being able to hold property independently. This, together with favourable inheritance laws for unmarried women in the Colony, made it highly likely that they were

⁵ CAD, LC 1 – LC 467, 1892–1902.

among the few who were wealthy enough to speculate in the capital market. For instance, as early as the mid-eighteenth century, the Roman Dutch inheritance laws allowed widows to inherit the wealth of their spouses. Von Fintel, Du Plessis and Jansen (2013) show that some of this wealth was used to invest in productive assets. It is therefore possible that in the nineteenth century this law enabled women with inheritance to direct some of their wealth into the capital market. This may be why spinsters are the second largest group in our sample, but widows do not seem to have been affected in the same way, as they had little representation in the Cape capital market. In Britain the fact that few widows invested was sometimes attributed to the financial burdens widows faced after the death of their spouses (Von Fintel, Du Plessis and Jansen 2013). This caused them to become frugal with the wealth they inherited. While this may be the reason why there are few widows in our sample of women investors at the Cape, it is important to consider that, given the shortage of women, widowhood was likely to be short-lived in the Colony. In his work on wealth distribution in the Colony during the seventeenth and eighteenth centuries, Shell (1983: 270) notes that:

Settler women came to occupy a commanding social position, both because of their scarcity, and because of the particular system of partible inheritance at the Cape, and their scarcity in the short run empowered them to maintain their dominant position over the long term... there was at the Cape what E. S. Morgan... had termed “widowarchy”. Some Cape widows remarried as many as three times, and in remarrying they acted as the conduits of large fortunes.

They were, therefore, constantly sought after by men. There were numerous cases of widows who did not struggle to find new partners after their husbands died, and in some instances, they married men who were much younger than they were. The case of Maarten Melck and Anna Margareth Hop is a good example of this phenomenon. In 1752 Melck married the widow of his late employer Johan Giebler who owned Elsenburg farm. Having been a man of moderate means, after this marriage he owned vast tracts of land (Kruger 1977). We therefore argue that this tendency in Cape society contributed to the low number of widows in the capital market.

In terms of value, our sample of women investors contributed 7% of the capital that financed Cape joint stock companies. In addition, the amount of capital contributed by each group was disproportionate to their size. For instance, ladies contributing much more than one would expect from their smaller numbers (Figure 3). Table 1 below sheds more light on the capital value of the shares our sample held in the capital market.

Table 1: Descriptive statistics of the capital value contributions for women investors at the Cape, 1892–1902. Values in British Pounds.

Descriptive statistics	Business women	Farmers	Housewives	Ladies	Professionals	Spinsters	Widows	Other
Mean	288.4	56.6	577.6	2412.6	866.8	202.4	310	426.4
Median	231	50	100	500	100	50	50	50
Maximum	600	100	48125	18200	9500	3234	2800	2400
Minimum	1	20	1	5	10	1	1	25
Standard deviation	298.9	36.1	3310.2	4513.6	2719.5	546	713.8	878.20

Source: CAD, LC 1 – LC 467, 1892–1902.

In fact, ladies invested the largest and most varied amounts of capital. Of the other categories, professionals and housewives had the largest mean capital values, which means that their individual investments were on average greater than those made by most other women with lower mean capital values. Other indicators of this difference are the median and maximum value of investment and the standard deviation. Categories with lower capital value means also had lower medians, except in the case of businesswomen. The reason why businesswomen had a high median is that they were the smallest group in our sample: there were only five of them, and on average this group’s capital value was within the range of its median.

The maximum capital values and their standard deviations shed more light in this regard, as they show that, even with a higher median, businesswomen made the least valuable investments in the women’s category. Their capital value was not as varied as that of the three leading investor categories in our sample. A larger standard deviation for the housewives, “ladies” and professionals categories suggests that their capital value was very broadly spread from their average value. This is confirmed by the maximum capital value of each of these three groups. The largest single investment was in the housewives category, by Mrs Courtney Thompson, who invested £48,125 in the *Mining Plants Company Limited* in 1902.⁶ There were other large investments in the housewives’ category, such as £15,000 invested by Mrs Mary Coghlan in a mining company in Kimberley.⁷ The investment of such large sums of money in joint stock

⁶ CAD, LC 456, The Mining Plants Company Limited, 1902.

⁷ CAD LC 402, The Central Diamond Mining Company (Leicester Mine) Limited, 1902.

companies contradicts the stereotype of women as risk-averse investors. There were clearly some women, although few, who invested as dauntlessly as their male counterparts.

As noted above, women engaged in the securities market because they wanted economic freedom. The forces that pushed them to the securities market were varied. Erlank's (1995) reveals some of the frustrations Cape women experienced in the mid-nineteenth. Using letters written by various women, she shows that as early as the 1850s women shared their unfortunate experiences with their close friends and relatives. In most cases the misfortunes involved financial difficulties. One letter details how a woman left her husband in Grahamstown in pursuit of employment opportunities in Graaff-Reinet and Colesberg. In letters to her relatives, she writes with a heavy heart of how the man she married had failed to meet the conventional expectations of a husband. She says that he lacked the basic instinct of taking care of his wife and children.

Although this could befall any woman, it was bound to be disastrous for a housewife who had not inherited wealth to cushion her in times of crisis. This could also explain why the housewives' share value was the lowest in the top four categories in our sample of female investors. The letters in Erlank's (1995) provides some psychosocial insight to how Cape women thought about money in mid-nineteenth. In her study, she refers to Mrs Philips, co-founder of the Ladies' Benevolent Society, who in her letters advised women to be useful and dutiful. Her study shows that some women sought alternative sources of income because of what Mrs Philips described as "foolish choices of a husband" (Erlank 1995: 67–68).

Women also sought alternative sources of income to keep up appearances. Mrs Maclear who was married to Sir Thomas Maclear, an astronomer living at Observatory, wrote about the challenges of maintaining a specific lifestyle on her husband's meagre salary (Rautenbach 1968). Suicide often followed the shame of going bankrupt. Social pressure and the need to maintain a certain standard of living in a fiercely competitive society led people to live beyond their means. Cape society was a small world and secrets could not be kept. Social indiscretions would quickly become public knowledge. The end of any social standing in the community was always a possibility (Erlank 1995).

In addition, like most colonial societies, the Cape developed certain cultures that evolved around material goods. Mitchell (2009) says the consumption of specific material goods at the Cape had become a way in which individuals attempted to either affirm or re-affirm their identity. Material goods had become status symbols that were associated with certain segments

or groups of the society. However, most women could not keep up with these trends, and the need to find alternative sources of income was a serious concern.

Like their counterparts in Britain, women at the Cape also had networks in the capital market. We had noted earlier that these networks had their roots in the social activities that women engaged in prior to the passing of the 1892 Companies Act. Smith-Rosenberg (1986) suggests that these activities were an outcome of the separate spheres. In her collection of essays on women in Victorian America, she argues that gender-role differentiation within the society caused the emotional segregation of men and women. This resulted in women spending most of their time in female company, causing a specifically female world to develop, a world built around a generic and unselfconscious pattern of single-sex or homosocial networks (Smith-Rosenberg 1986). We can perhaps see an instance of this in the case of Mrs Elizabeth McCartney and Mrs Selina Betteridge, who were shareholders in the Kimberley Co-operative Society Company and also immediate neighbours,⁸ as we discovered from the residential addresses they provided in the list of shareholders. It is perhaps not far-fetched to suggest that these women had an established relationship prior to their investing in this company. We found similar evidence of networks at the Cape among the few women who operated in the public sphere. For instance, Dr Clement and Dr Fisser, medical practitioners from Cape Town, invested in the same company, the South African Fisheries.⁹

What was interesting about these four women was that they appeared to have been part of a much broader network that included men. For example, Mrs Betteridge's husband was an investor in the same company. Dr Clement and Dr Fisser were also part of a network consisting of several medical practitioners (Doctors Anderson, Beck, Clement, Fisser, Impey, Thompson and Marius). Men were valuable sources of information, especially considering the limited effort made in the Cape to educate women about the securities market. It is possible that Mrs Betteridge had access to information about investing via her husband, and shared this with her friend. Doe (2006) notes that in the absence of stock exchanges and very few professional brokers, word of mouth was an important source of information. At the Cape, men were at the centre of this network. Mary Ward in the Cape Peninsula Lighting Company was another example of this trend. She was part of a network that included four male investors in the middle-class category who all originated from London.¹⁰ This explains why the middle-

⁸ CAD, LC C428, The Kimberley Co-operative Society Ltd, 1902.

⁹ CAD LC C249, The South African Fisheries Ltd, 1898.

¹⁰ CAD, LC C309, The Cape Peninsula Lighting Company, 1900.

class in our sample contained the largest number of women who invested in companies where people with their surnames and shared residential addresses also invested, as shown in figure 4.

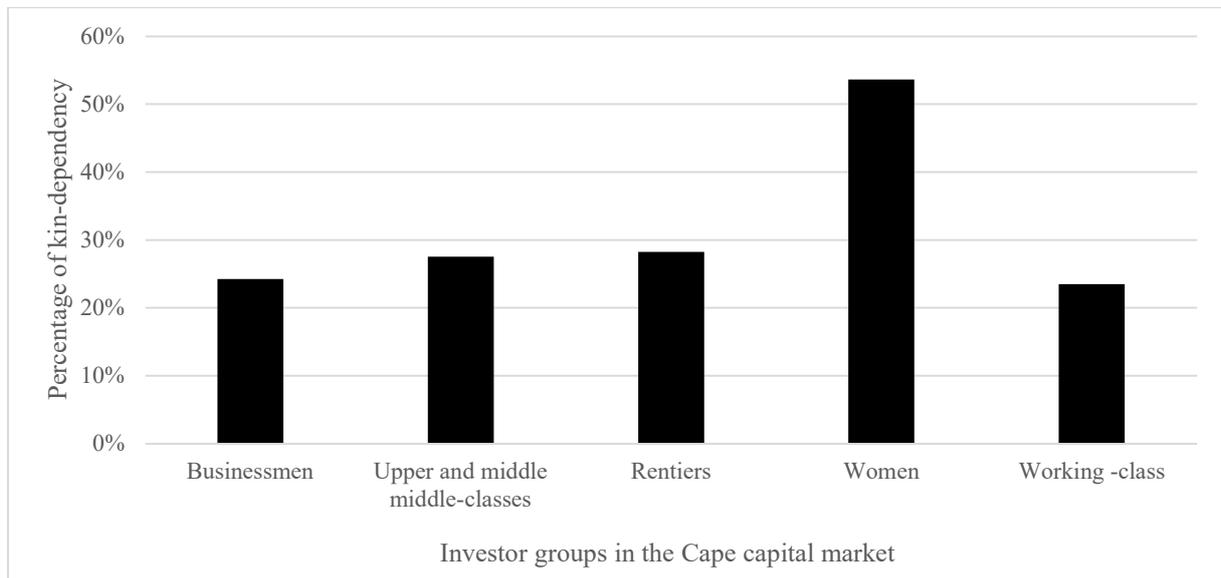


Figure 4: Kin-dependency among Cape women investors in the capital market, 1892–1902.

Source: CAD, LC 1 – LC 467, 1892–1902.

Our findings suggest that women relied on men for information about the securities market. Sometimes they were in female networks, but often they invested in companies together with their male counterparts. In some instances, they were in a family network, as in the case of Miss Anna Ansley, who invested in a company with four men who shared her surname and lived at the same address.¹¹ Spinsters were particularly inclined to invest in companies in which their relatives also held shares. About 72% of the investments made by this group in our sample were in companies together with their relatives, mostly male, as shareholders. In the case of widows, 60% of their investments were kin-dependent, for housewives it was 50% and for ladies 38%, which suggests that these last were the most independent investors.¹²

Men also featured prominently in these arrangements. Usually when a man and woman owned shares jointly, the man was likely to hold control over them (Freeman et al. 2006). This also brings to light the possibility that in family business arrangements, women were simply used to retain control of the company by their male relatives, or to obtain majority seats. Our sample, on the contrary, shows the opposite. A.J. Coleman and Company was a good example of this.

¹¹ CAD, LC 302, The African Mutual Trust and Assurance Company Ltd, 1900.

¹² CAD, LC 1 – LC 467, 1892–1902.

Mrs Wilhelmina Coleman, Alfred Coleman’s wife, owned large amounts of shares.¹³ This meant that there was a very slim chance of business partners instigating a take-over by means of majority share ownership. This was also the case with Ginsberg and Company¹⁴ and the Ingerid Steamship Company¹⁵ where shareholdings were dominated by family members.

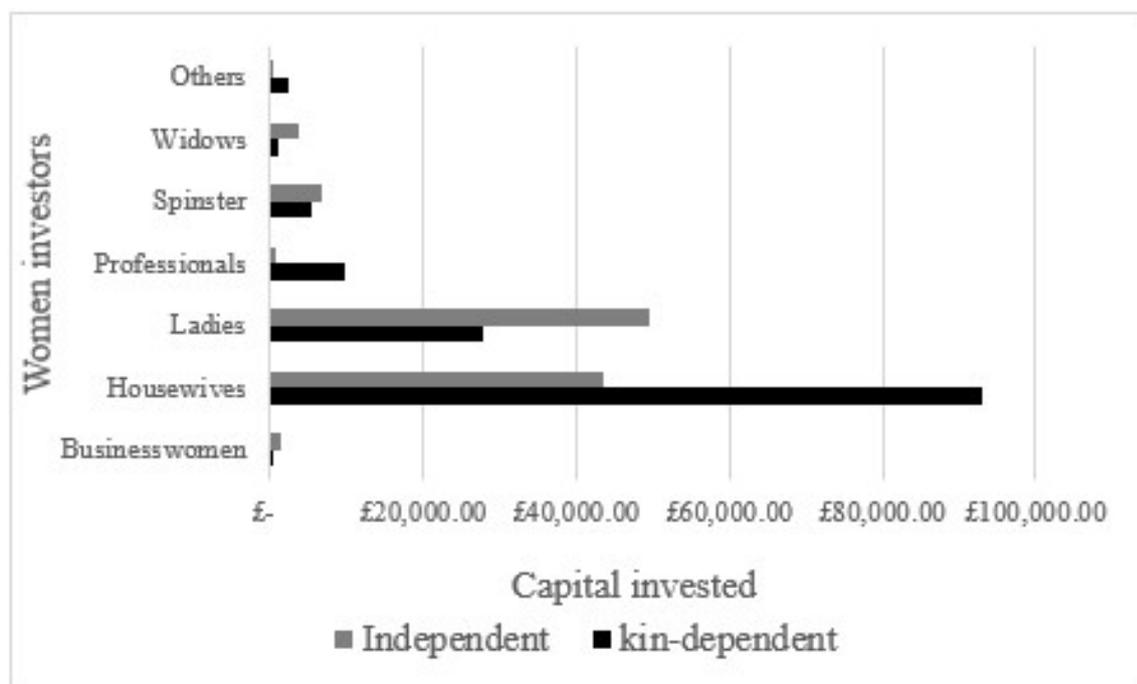


Figure 5: The influence of kin-dependency on the distribution of women’s capital value, 1892–1902.

Source: CAD, LC 1 – LC 467, 1892–1902.

Nevertheless, women’s reliance on men for information on the securities market was not necessarily a weakness, but a form of adaptation to capitalism. There were numerous cases where women invested more than their male connections did. For instance, both Mrs Mary Coghlan and Mrs J. Croghan invested more than their husbands (by a large margin) in the Central Diamond Mining Company.¹⁶ The same was true of Mrs Maria van der Merwe, who had more shares than her husband in the Lourens River Estates Company.¹⁷ Investing in companies together with their male relatives seems to have bolstered their confidence, as Figure 5 suggests.

¹³ CAD, LC 313, A. J. Coleman and Co. Ltd, 1900.

¹⁴ CAD, LC 319, The Ginsberg and Company Ltd, 1900.

¹⁵ CAD, LC 322, The Ingerid Steamship Company Ltd, 1900.

¹⁶ CAD, LC 402, The Central Diamond Mining Company (Leicester Mine) Ltd, 1902.

¹⁷ CAD, LC 441, The Lourens River Estates Ltd, 1902.

The largest sum of capital provided by women in our sample was invested in companies where women were related to some of the shareholders. Housewives are an excellent example of this, with 50% of their investments being kin-dependent and 50% independent, and Figure 5 shows the extent to which they invested along with their relatives, which may have given them confidence. There were some independent investments, but most of them of lower value than those made by housewives. Spinsters, widows, and ladies in particular, invested more independently. The social class to which the ladies belonged was on the whole better educated. This meant that they were likely to be intellectually capable of assessing independently which companies they wanted to invest in, and were possibly less afraid to take risks.¹⁸

The women in our sample invested not only in a variety of ways but also in a variety of companies and sectors. Figure 6 shows these sectors. Financial organisations were the most favoured destination for women's capital. Housewives and ladies dominated this sector, although their preferences differed somewhat. For example, housewives invested in both insurance and trust companies, but ladies only in insurance companies. More housewives than the other groups invested in the insurance sector, and the amount they invested in this sector was twice the amount they invested in trust companies. A possible explanation for this is related to the concept of networks and kin-dependent investments. It was common in these financial organisations to find investors that were neighbours and shared the same surname or status. For example, the Colonial Marine Assurance and Trust Company was made up of "ladies" and "gentlemen".¹⁹

¹⁸ CAD, LC 1 – LC 467, 1892–1902.

¹⁹ CAD, LC C53, The Colonial Marine and Assurance Company Ltd, 1894.

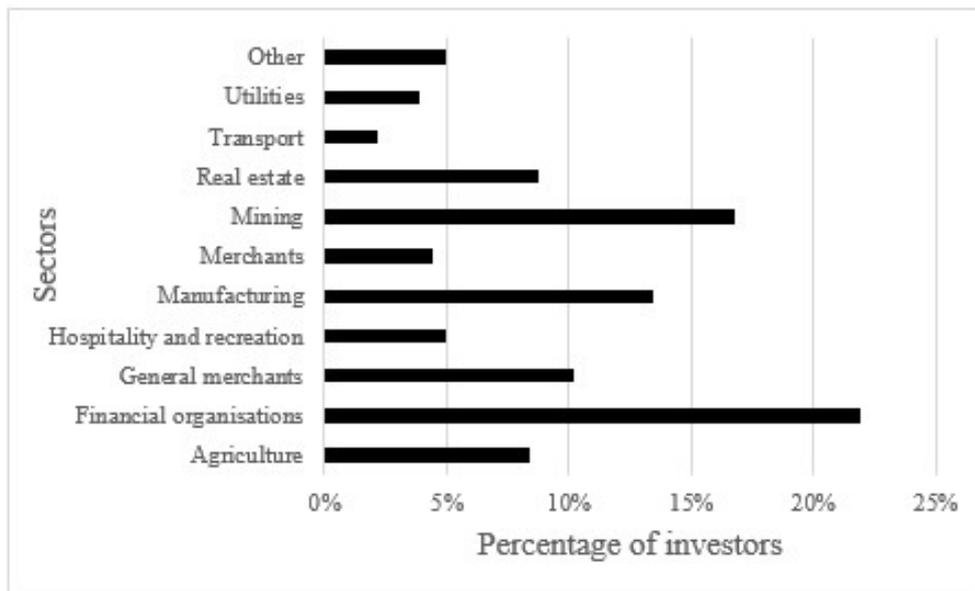


Figure 6: Industries financed by women, 1892 - 1902

Source: CAD, LC 1 – LC 467.

The findings from our sample suggest that ladies and rentiers seldom invested in small family businesses, unless the business belonged to their families. In addition to financial organisations, much of their capital went into the real estate sector. This is perhaps a choice that was informed by their spouses. Professionals also seemed uninterested in small organisations. They were among the many that invested in financial organisations and mining companies. Widows, on the other hand, did not seem to have a clearly defined preference, although they do not seem to have been keen to invest beyond their environment. Our findings suggest that only spinsters and housewives speculated in companies that operated beyond their region. The utilities were another sector that seems to have attracted women rapidly in our sample between 1899 and 1902. The potential for high returns in this sector was high, because its services were relatively new in most areas of the Colony. However, despite such good prospects, in our sample housewives constituted 95% of the women investors in that sector.²⁰

Although women made up only 17% of middle-class investors, their contribution was noticeable in four specific sectors: finance, mining, manufacturing and “other” – a sector made up of various less common economic sectors (laundry, fishing and stationary companies). Table 2 shows that they were the second largest providers of capital in the mining sector within the subgroups of the middle-class. This was an astonishing finding considering that only 12%

²⁰ CAD, LC 1 – LC 467, 1892–1902.

of investors in the women’s category held shares in mining companies. This can only be attributed to the few women discussed above who injected large sums of capital into the sector. Further, it is important to note that over 90% of investments in the mining sector in the women category came from housewives.

Table 2: The financial contribution of women in the middle-class category, 1892–1902.

Sector	Upper Middle-Class	Middle Middle-class	Women	Working-class
Agriculture	20%	47%	13%	20%
Financial organisations	30%	40%	30%	1%
General merchants	5%	68%	8%	19%
Hospitality	31%	55%	11%	3%
Manufacturing	16%	51%	32%	1%
Merchants	52%	43%	4%	1%
Mining	13%	50%	34%	3%
Real estate	20%	70%	8%	2%
Transport	86%	6%	8%	1%
Utilities	17%	72%	5%	3%
Other	16%	50%	31%	3%

Source: CAD, LC 1 – LC 467.

The presence of women was also felt in the financial sector. Here, as in the mining sector, they were also the second largest providers of capital, with the difference that here it was ladies who provided the largest sum of capital, followed by housewives and spinsters. Verhoef (2020) explains that these companies may have offered stable and regular returns on investments and avenue of investment to small investors. Manufacturing was the third sector to which women made a substantial financial contribution during this period, followed by the “other” sector. Our findings show that despite being excluded from most economic activities, women made important contributions to the growth of joint stock companies in the Colony. What is also important is that the emergence of joint stock companies in the Colony provided them with alternative sources of income, which could have otherwise been difficult to find.

7. Conclusion

Throughout the Victorian era women investors in Britain and those in the British colonial territories lived subject to a set of social rules prescribed by the separate spheres ideology. On a practical level this meant that they could not operate in the public sphere, as they were designated the role of taking care of the family. However, in the mid-1800s there was a rising sentiment among women that supported economic freedom. Faced with limited employment opportunities, the securities market became a practical solution for them in that it afforded them the opportunity to generate an income. This paper has outlined how this happened and some of the reasons why women held shares at the Cape. Like the women who invested in British capital markets, Cape women investors were diverse, and comprising of spinsters, widows, housewives and professionals. Although they shared a few traits, they had visible differences. For instance, it seems that housewives and professionals invested comfortably in companies alongside their male relatives, but ladies, spinsters and widows seemed to do the opposite.

This paper has also shown who women investors were at the Cape, and how they navigated the capital market. It contributes to existing studies on women in colonial South Africa, particularly their role in the economy. There is potential for further studies, especially considering that women seemed to have gained momentum in the capital market during the last decade of the nineteenth century at the Cape. An extended study beyond 1902 might reveal an even greater role that they played in financing companies, not only in colonial South Africa, but in southern Africa as a whole.

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