

Commission's Report May 1, 1879

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Ministry of Finance, Danish West Indies  
Commission on the Rebellion

[Notice 406]

Commission regarding the Rebellion on St. Croix<sup>1</sup>.  
Copenhagen, May 1, 1879.

In accordance with the Royal Commission granted to us on December 28 of last year, we departed from here on January 11 of this year to St. Thomas, where we arrived on February 2 and later proceeded to St. Croix. During our stay on this island from February 5 to March 20, we have submitted various reports to the Ministry of Finance regarding specific tasks entrusted to us in the aforementioned Commission. Referring to these reports, especially the letter of February 12, No. 1 regarding the military question, the letter of March 6, No. 4 regarding the question of compensation, and the letter of February 26, No. 3 regarding the granting of loans to the injured, after returning here on April 18, we would like to provide a comprehensive presentation of the results we have obtained through the investigations we conducted regarding the questions for which our mission aimed to gather information. [Notice 407]

To obtain sufficient clarity regarding the conditions concerning the first of the tasks assigned to the Commission: "to investigate and report to the Government on the causes of the outbreak of the rebellion and the means to prevent its recurrence", the Commission has sought the necessary information primarily through two methods. Firstly, it deemed it necessary to assess the damage caused by the rebellion by inspecting 54 plantations on the island, using the opportunity to interview various segments of the population residing there. Secondly, the Commission summoned 53 individuals from all walks of life and positions from both rural and urban areas and obtained their testimonies on this matter<sup>2</sup>. The Commission elicited these testimonies through specific questions while not limiting their statements solely to those questions. The protocol taken during these proceedings is included as an attachment - Appendix 1. Additionally, to form a reliable assessment of these conditions, the Commission examined the records of the court and partly reviewed the transcripts of ongoing hearings not yet concluded, which were conducted by the Commission established by Royal Resolution on October 25 of the previous year to investigate and adjudicate cases not settled by the court as a result of the rebellion.

The Commission must state as its conviction that the outbreak of the rebellion itself originated from a

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<sup>1</sup> In 1879, a governmental commission was sent to the Danish West Indies to write reports on the situation of the islands to the Danish Ministry of Finance. The committee consisted of Poul de Løvenørn, Ferdinand Emil Torné Tvermoes, Moritz Levy and Johan Frederik "Fritz" Schlegel, who had been governor general of the Danish West Indies 1855-1860

<sup>2</sup> This is the "Record of interrogations 1879 and various accounts" which is accessible on [Fireburnfiles.dk](http://Fireburnfiles.dk)

coincidence and that it cannot be assumed that any plan was premeditated. It is indeed indisputable that among the laborers present in Christiansted and Frederiksted on October 1, there was a stronger inclination than usual to do "something" to achieve higher wages for their work than they had previously received. The idea of forcing such a change through a form of "strike" may have occurred to some of them, and throughout the day, this idea may have gained further dissemination. However, there is no evidence of a prior general agreement in this regard. Furthermore, it is evident from the testimonies that those involved, before the thought of the rebellion flared up in Frederiksted, primarily sought to satisfy this commonly held desire or demand through the sale of passes (proof that the agricultural laborer has legally left their previous employment), which always took place during the transition period and which they were only willing to engage in at relatively high prices, and they even refused to participate altogether.

It must therefore be regarded as a coincidence that the defiance of a drunken negro towards the police led to a controversy that ended with a blow from an officer's side. It was also incidental that the rowdy crowd, when persuaded by Pastor Du Bois and the police chief to leave the town, changed their minds upon hearing a woman's cry that the aforementioned intoxicated person, who had been found drunk on the street with a wound on his head and was subsequently admitted to the hospital, had died from the blow inflicted on him. This report turned out to be completely unfounded, but it incited the crowd to engage in disorderly conduct, which gradually escalated into looting and arson.

It has been brought to the attention of the Commission [Notice 408] that on October 1st in Frederiksted, it was expressed among the crowd that no help could be expected for the few defenders of the fort from Christiansted, "as they had it just as bad there as in Frederiksted". There has also been speculation that the crowd of agricultural laborers present in Christiansted had abandoned a planned attack on the town and left due to the coincidental circumstance that the drum was sounded that day to gather the fire brigade for a drill, and the military force present there conducted cannon exercises in the square in front of the fort in the afternoon of October 1st. However, there is not the slightest evidence of the accuracy of this speculation, nor has any person been identified who could be presumed to be the source of this rumor on which the speculation is based.

It is only after the crowd, which had been augmented by numerous negroes rushing from the town and the plantations during the fire in Frederiksted, was driven out of the town upon the arrival of military assistance, that plans for spreading destruction to rural properties and inciting the laboring population in those areas can be observed. However, these plans were not preconceived but rather the result of the moment. It cannot be definitively denied that the fear of the consequences of the events on October 3rd among the leaders created by the movement may have prompted a plan to approach Christiansted from various directions and drive out the white population by setting fire to the town, thereby making the negroes the rulers of the island. Whether such a plan existed, which was in any case thwarted by the advance of the military force on the mentioned day and their clash with one of the three gangs formed at the time, which followed the central line at Anna's Hope, it appears to have been a spur-of-the-moment decision, and its emergence carries no significance regarding the question of a premeditated plan for the uprising that occurred, which, as noted earlier, cannot be assumed based on the Commission's investigations.

While the outbreak of the uprising itself is believed to have originated from a coincidence, it is undoubtedly the expression of dissatisfaction present among the agricultural laborers and widely spread among them. In this regard, a hint has already been made in the mention of the uprising, but to gain a clear overview of the entire situation, in which the deeper underlying causes of the movement must be sought, it will be necessary to discuss its development over a longer period.

After the abolition of slavery in 1848, it was deemed necessary, as is known, to regulate labor conditions on the plantations in a manner that would be reassuring for both the plantation owners and the laborers through the provisional regulations of January 26, 1849, known as the "Labor Act"<sup>3</sup>. This was believed to be achieved significantly through the establishment of annual contracts with a specified compensation for a certain working time, consisting partly of cash [Notice 409] payment and partly of free housing with a small plot of land for personal cultivation (provision ground) and provisions, the so-called "Allowance". Additionally, various other provisions were put in place, both in the interest of the laborers and aiming to protect the employers from negligence, etc., from the laborers' side. This arrangement, which was mainly introduced to create a transitional period towards completely free labor, has been upheld for 30 years with a few accompanying provisions. It should be noted that, purely materially, it has had significant benefits for the laborers as it has protected them from suffering in times of adversity, while the fulfillment of the obligations imposed on the employers through the regulations has often burdened them to a considerable extent and contributed significantly to the decline in prosperity that has characterized the mentioned period. On the other hand, the Commission must express that during this period, especially its latter half, the various parties involved have paid insufficient attention to the shift in property and population dynamics on St. Croix, which should have prompted efforts towards further development of the freedom in labor conditions, to which the provisional regulations of 1849 served as an introduction.

In the early period following Emancipation, it was natural for the freed plantation slaves to continue working in the same way they were accustomed to under the former system. Consequently, they felt less compelled by the restrictive provisions of the labor regulations, which at the same time provided them with the same security in terms of livelihood as they had under slavery and significantly improved their material conditions. However, the situation gradually changed for the younger generation, for whom the actual field work, as it was conducted (in a collective "gang" under the supervision of a "driver"), served as a reminder of the slave state. Therefore, the younger laborers soon directed their efforts towards obtaining more privileged and better-paid positions on the plantations or finding other ways, often conflicting with the labor regulations, to increase their income. Many laborers gave up taking regular employment on the plantations, and despite attempts by the plantations to compensate for the labor shortage by importing foreign laborers, and despite a significant number of properties transitioning away from sugar cultivation and now operating as cattle plantations with fewer laborers, the situation gradually led to widespread violation of the labor regulations in many ways and directions. Particularly, the equality that the regulations sought to establish in the laborers' positions has, due to the natural course of events, transformed into inequality, which, as long as the regulations exist, will inevitably lead to dissatisfaction with them.

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<sup>3</sup> Danish: Arbejderregulationer

One circumstance that has had significant importance for the development of labor conditions is the change that has occurred over the years regarding property owners. At the time of Emancipation, there were still several plantations owned or managed by [Notice 410] individuals who had been connected to the island as plantation owners for a long time, sometimes spanning multiple generations. Between these owners and the enslaved individuals on the properties, strong bonds had formed, not only considering the owners' natural interest in preserving the lives and health of the laborers and their children as an essential part of the property's well-being but also making it natural and easier to regulate labor conditions through provisions such as the labor regulations. However, simultaneously with the emergence of a new generation of freed-born laborers, the aforementioned dynamics gradually changed. The previous owners have gradually passed away, fallen into poverty, or left the island with their families, and the properties have passed into new hands. Due to the challenging property conditions, capital from outside the island did not flow in; as a result, the sale of plantations often had to be conducted with prices and conditions that required relatively less capital for the purchase. The consequence has been that a significant portion of the island's plantations, including some of the largest and best ones, have been bought by former overseers, especially Irish individuals who, through hard work and frugality, had managed to accumulate some wealth but still lacked enough capital to make sufficient payments and had to leave a significant portion of the purchase price as a mortgage on the properties, resulting in substantial annual interest payments. Consequently, they were even more compelled to maximize returns from the properties, including the labor of the workers, with minimal expenses. They rarely considered St. Croix as their home; many were unmarried, and generally, when they acquired enough wealth to live in Europe, they would leave the island. Furthermore, the majority of them were not highly educated or socially esteemed, which made it difficult to maintain or form similar bonds of respect with the gradually changing labor population on their properties, as had existed in the early years after Emancipation. Additionally, the owners were increasingly less inclined to ensure the laborers' lives, health, and the upbringing and education of their children through schools. It was imperative to utilize every labor force, including that of the children, and the owners' indifference found a natural ally in their own self-interest.

According to the Commission's judgment, a direct and outright mistreatment of the rural laborers has only occurred in exceptional cases. In this regard, it has been a protection for them that the labor force on the island as a whole has been insufficient, so the fear of losing too many laborers during the turnover period has had a moderating effect on their treatment. However, it is undoubtedly the case that in far too many instances, there has been a lack of consideration for the laborers, seeing them as beings whose survival and good health are only necessary as long as it serves self-interest [Notice 411]. Nevertheless, due to the aforementioned reasons, there would hardly have been significant dissatisfaction among the laborers who were born on the island and who are by nature peaceful and obedient people. Reliable individuals familiar with conditions on other West Indian islands have also declared that St. Croix was the island where the labor population was in the best position, best nourished, and overall had the healthiest and most contented appearance. The island's remote location also shielded the population from being influenced by the prevailing movements of the time. However, the aforementioned conditions must still be regarded as the initial cause of the discontent that would later find further fuel through various circumstances that the laborers perceived as injustices, the constant decline in the population and, consequently, the labor force, and finally, the conditions brought about by the establishment of the sugar cooperative and subsequent misfortunes.

Regarding the circumstances initially indicated, three in particular are mentioned as the ones that have caused resentment. The first one was the utilization of the right to impose fines for work negligence, which the labor regulations granted to the respective owner or manager. It was alleged that they often used this right in such a meticulous and strict manner that the laborer would be disappointed when settling their weekly wages, as they would see them reduced due to fines for offenses that they considered minor and believed they didn't deserve punishment for. Sometimes, they were even unaware that they had committed any wrongdoing. This situation appears to have been particularly irritating in certain places, as the laborers had the perception that the fines did not benefit the plantation or its owner but instead served as additional income for the manager, who thus had an interest in making them as large as possible. Based on the information gathered, the Commission must acknowledge that such a situation has indeed occurred on several plantations. However, it has also gathered the impression that it was not a widespread practice, especially in recent years, as due to the shortage of laborers, there has been a tendency to be lenient with fines so as not to lose too much labor through excessive strictness. Nevertheless, it would be more appropriate for fines to be imposed by the authorities after an investigation of the case.

Another circumstance was that the labor regulations allowed owners and managers to refuse to accept a termination notice before one of the specified time limits, claiming it was too early, and also to repeat this refusal when the person, out of ignorance or carelessness, let the other time limit pass, arguing that the notice now came too late, thus forcing them to remain on the plantation for another year, even though it was known to them that their intention was to leave at the next change of laborers. In connection with this, another [Notice 412] more specific issue that has also led to complaints can be mentioned: a laborer who had given notice to move to another island where they had bought property had to abandon their plan because their wife, who was contracted for a different period, was not granted permission to change at the same time as her husband.

Although the Commission has not been presented with any specific examples in the first mentioned situation, it considers it certain that cases of this nature have occurred, and such a practice, even if it can be justified under the legislation, is clearly far from humane. On the other hand, the laborers are generally well aware of the notice period for termination, so it can only have exceptionally happened that the workforce of a plantation was so ignorant in this regard that the individual, at the very least through their fellow workers, could not have obtained the necessary information in that regard. While the inclusion of two-time limits for termination in the regulations, instead of the usual one found in other servant laws, has occasionally caused some uncertainty about the correct timing, the mentioned provision has undoubtedly, under the existing circumstances, had the beneficial effect of preventing hasty and angrily expressed terminations outside the specified time limits, along with the associated detrimental consequences for both parties.

The third circumstance concerns a matter between the authorities and the laborers who, after giving notice, intend not only to leave their current employment but also to depart from the island. Both in the past and during the recent disturbances, complaints have been raised in this regard regarding two points. The laborers believed that deliberate obstacles were placed in their way to prevent them from leaving the

island. This was done partly by demanding proof from the police in the towns that they possessed a few dollars and partly by ensuring that the necessary means of transportation were not available on October 1st. As a result, when they were ordered by the police to take up steady employment within three days, they were effectively forced back into the employment from which they had intended to free themselves by emigrating from the island.

In its investigation of this matter, the Commission has specifically reached the conclusion regarding the last October turnover that several years ago, a request was made from St. Thomas to the police chiefs in St. Croix to alert the laborers who intended to leave the latter island that upon arrival in St. Thomas, if they did not have the necessary means of subsistence for a certain period, they would be sent back to St. Croix to avoid becoming a burden on the St. Thomas community. Additionally, it was done to ensure that the individuals were indeed in possession of a small sum of money upon departure. This request was complied with by the then police chiefs in Frederiksted and Christiansted, who demanded that [Notice 413] the emigrants provide proof of having a few dollars. However, the measure was quickly abandoned as it proved to be meaningless since the same few dollars that were presented at the police station by a departing individual could easily be handed over temporarily to someone else, thus rendering it a useless proof in the intended direction. As a result of this, no requirement of any kind has been imposed in this regard since October 1st of the previous year. Individuals were only made aware of the necessity of having means of subsistence.

The second complaint must also generally be considered unjustified, as the authorities have not interfered in any way with transportation, which is a matter of private enterprise. Specifically regarding October 1st, 1878, it is stated that in Frederiksted, where this complaint was raised during the rebellion, there were two ships present on September 30th, namely a schooner and a sloop. The captain of the sloop, when he notified the police of his departure on that same day and was asked why he would not stay until the following day and take the freight that departing laborers might provide, stated that he had convinced himself that this year there would not be more laborers leaving than the schooner could easily accommodate, which turned out to be true. From the above, it is evident that there was no basis for the mentioned complaints during the rebellion, and the presentation thereof was either done knowingly with the awareness that they were unfounded or, more likely, due to a lack of knowledge of the actual circumstances.

But alongside these mentioned circumstances, which could have served as instigators during the rebellion, there were naturally other factors of far more profound significance in arousing a general dissatisfaction among the rural laboring population. The immigration of laborers from the English islands, induced by the need for labor, brought elements into the population who, naturally, reluctantly and unwillingly submitted to the provisions of labor regulations after experiencing the free working conditions under which they had lived on those islands. These foreign elements, on the one hand, were relatively better educated than the laborers on St. Croix and, on the other hand, were generally stronger laborers but often poor individuals, many of whom should have been punished in their previous places of residence. They soon became aware of the inherently unfair situation introduced by the labor regulations, whereby the greater labor of a strong worker was not rewarded better than the lesser labor of a weak worker, and the oppressive and demotivating aspect of diligence and skill lacking greater rewards compared to the lazy

and incompetent. After this preparation, it only took examples where a tangible difference in this regard actually occurred for some individuals without affecting the entire mass as a whole, for dissatisfaction to receive seemingly justified nourishment in each specific case. And these examples did not take long [Notice 414] to materialize. Once again, it was the need for labor that made its influence felt.

In addition to the rural laborers, as is well known, there are several laborers in the cities engaged in various occupations that do not require permanent service and are therefore paid for shorter periods, usually on a daily basis. The common term for this type of laborers is "porters". As the agricultural work required more labor, despite the provisions of labor regulations in the opposite direction, attempts were made in several places to transfer the porter system to agricultural labor by employing people living in the cities to work on plantations without entering into formal employment relationships with them. These "porters" were then paid 20-25 cents per day but did not have free housing, allowances, or similar benefits like the permanent laborers. As this system, which initially only suited plantations located near the cities, became cumbersome to have the aforementioned porters staying overnight in the cities, the owners of the respective plantations saw the advantage of allowing them to live on the plantation itself, and it was not uncommon for them to receive some form of allowance as well. The consequence of this was that on the same plantation, with the same group of laborers doing the same work, the permanent workforce earned only half as much as the porters who had a looser relationship with the plantation and were not bound by any contractual obligation for an extended period. Naturally, this situation inevitably led to envy and a deep-seated discontent among the permanent rural laborers, who understandably disregarded the fact that the stable employment under the conditions of labor regulations, on the other hand, provided them with protection against hardship in difficult times. It is hardly surprising that such circumstances generated resentment. However, aside from its specific consequences, this situation was illegal, and as it became more widespread, it also became the subject of police action, leading to various legal cases against plantation managers who employed this system.

In some of the resulting judgments, the offenders were punished with fines, but the most recent cases were dismissed because it was decided to await the implementation of the long-held idea of establishing one or more central sugar factories on St. Croix. The establishment of these factories naturally required the abolition of labor regulations and the introduction of completely free labor. Therefore, direct intervention was not used to prevent the porter system, which closely bordered on free labor, from developing, especially on the western part of the island, where sugar cultivation was most prominent. Some plantation owners even had more porters than permanent laborers for cultivating their fields. By turning a blind eye to the illegality of applying the porter system to agricultural labor, the authorities overlooked the danger of subjecting individuals of the same kind and performing the same service to different wage conditions. Undoubtedly, this was done under the assumption that the abolition of labor regulations, which, according to the provision in the Law of February 25, 1876, Section 5 [Notice 415], was expected to take effect no later than October 1, 1881, was imminent enough for the laborers to have enough patience to wait for it, and that the deadline would be further shortened once the central sugar factory was operational. A prudent consideration, especially from the laborers' perspective, at the time when the law regarding the Central Sugar Factory was passed on February 25, 1876, would probably have led to the immediate abolition of labor regulations, recognizing that the provision in the law concerning

this matter could easily become a cause for agitation due to its content and indefinite wording, whereas the issue would likely have resolved itself without such a provision once the Central Factory was operational. However, under the circumstances created by the law, there were several reasons, which the Commission does not see fit to delve into here, why no side hastened to address this issue, and its sudden resolution was not absolutely necessary, as the sugar factory unexpectedly ceased its operations due to various mishaps during the campaign. Nevertheless, the establishment of the factory and its operations had provided significant relief to the discontent among the rural laborers. It is self-evident that an establishment like the one mentioned could not be forced to comply with labor regulations. However, given the existing circumstances, there were valid reasons for the management of the factory and the authorities to make every effort to avoid any calamities in terms of the proper cultivation of the plantations resulting from the labor. However, based on the available information, it does not appear that particular emphasis was placed on this matter. As a result, not only was an unreasonably large workforce diverted from agricultural labor, but also a sense of discontent was aroused among the remaining part of the population engaged in this work, which, although unjustified in reality, was strongly felt.

The Central Sugar Factory not only functioned as a porter system on a larger scale but also resulted in the absorption of a much larger number of laborers than probably necessary due to its completely free labor. The tendency among the black population, especially the poorer segment, to earn enough for their basic livelihood for a few days of the week and then spend the rest of the week in idleness and entertainment was abundantly nourished by the sugar factory. It must have made a strong impression on the rural laborers, who earned 10 cents a day through their strenuous work, to see others, often quite young individuals, being paid 35 cents for relatively easy tasks at the Central Sugar Factory. It is true that when considering the rural laborer's 10 cents along with their allowance, the value of their housing, and the yield from their commission-based work, not to mention the income many rural laborers have through the so-called "privileges" (the right to raise pigs and poultry, own horses, etc.), they may reach a potentially even higher wage than the one given at the central factory. However, such a reasonable assessment of the situation was less likely to be expected from the perspective of the rural laborers, especially since the factory workers were usually [Notice 416] recruited from acquaintances or friends of both genders on the plantations, often without the owner or manager being aware of it, who shared their housing and allowance with them, resulting in them having a significantly higher income than the rural laborers. Moreover, for the same income, they only needed to work a few days a week. Consequently, a considerable workforce was taken out of the market, and it was the plantation managers who had to pay the price. Some of them tried to resist by seeking compensation for the lost workforce by employing more porters and, after the sugar factory started operating, by exploiting the provision of freedom regarding Saturday work and payment, as stipulated in the Law of February 25, 1876, to circumvent labor regulations. By giving workers disproportionately high pay for Saturday work, they effectively increased their daily wages as determined by the regulations. Thus, they embarked on a path that opened the door to inequality and consequently to dissatisfaction, which sooner or later would lead to some form of outbreak. This dissatisfaction was significant, albeit mostly unjustified, among the laborers who had temporarily worked at the sugar factory and enjoyed all the associated benefits but were forced to return to work under the old conditions when it ceased its operations.



The Commission must assume that when the management of the Central Factory was prompted to exercise stricter control over the workers it hired, in order to bind them to continuous work for a certain, albeit short, period and to demand greater, albeit fully justified, productivity, it could have mitigated and reduced the unfortunate effect that anyone familiar with such conditions knows is bound to arise among an uninformed population working under unequal conditions.

A question that necessarily arises in the course of examining this matter is the reason why the movement took on a form and extent as it did. The main reason for this undoubtedly lies in the weakening of respect for the white race in general, and especially for authorities, which the overall decline in all aspects, combined with a series of various misfortunes that have afflicted the islands in recent years, could not have failed to generate among the negro population, particularly among the many individuals imported from foreign islands and the younger members of the native negroes on the island. As already suggested above, the change that has gradually occurred regarding the personalities of plantation owners has had an influence in this respect. The casual relationships in which many whites, not only overseers and managers but also owners, have engaged with negro women have also contributed to weakening the negroes' esteem for the race as a whole. The same effect has occurred in relation to government authorities due to several circumstances that have gradually emerged. Among these, the relocation of the government seat from St. Croix, the unsuccessful attempt to sell the islands, the infrequent dispatch of a Danish warship, and, most importantly, the financial difficulties resulting from [Notice 417] the misfortunes that have befallen the island—hurricanes, earthquakes, and, above all, a series of drought years that have weakened the prosperity of the plants and forced the administration to introduce reductions and savings in all areas—have had a significant impact. These measures eventually affected the means to preserve the authority of the government and, therefore, in the eyes of the negroes, appeared as signs that it no longer possessed sufficient power to enforce it.

The police station and military station in Kingshill were withdrawn, the military establishment in Frederiksted was abolished, and the fort was handed over to the police. Thus, the maintenance of order during potential calamities was entrusted to a small police force that was little esteemed by the negro population. When the street turmoil in Frederiksted escalated, the police force proved incapable of controlling it. Therefore, one main reason for the spread of the rebellion must be sought in the fact that Frederiksted, and indeed the entire western part of the island, lacked military presence. Naturally, the thought arises that even though Frederiksted was abandoned as a military station, nothing would have prevented the relevant authorities from arranging for a temporary deployment of a military detachment to Frederiksted and, if deemed necessary, to Kingshill when disturbances were expected. In this regard, the Commission notes that, based on the available information, the local authorities either did not anticipate that the changing day could lead to particular unrest or, if some individuals closer to the agricultural conditions had been made aware of the possibility, they did not attach greater significance to the matter, believing they could handle it with the forces at their disposal. Furthermore, it should be remembered that even those who anticipated and expressed their views on the likelihood of difficulties on October 1, 1878, did not expect anything other than a kind of strike among the laborers to achieve higher wages, and they were unaware of the devastating event that occurred in the form of the uprising on the island.

The reason why the movement on October 1st, when the necessary power to suppress it in its infancy was not present, took such a lamentable turn must naturally be sought in the character of the negro and his low intellectual and social standing. Regarding character specifically, as is often the case with a population that has been only lightly touched by civilization and has only risen a few steps from the state under slavery, it is a mixture of more or less blind obedience where he has the advantage and a domineering nature that manifests itself in crude forms towards weaker beings. While the negro is generally indifferent in his treatment of children and livestock, often even cruel and brutal towards the latter, he is usually respectful and obedient towards his superiors, even when their behavior towards him is ruthless and repulsive. Alongside this, his character harbors a great deal of passion that flares up when his dissatisfaction is provoked, expressing itself in wild outbursts of words and sometimes violent actions. Once consumed by passion and not kept in check [Notice 418] by fear of authority, which, in the case of uprisings, usually can only be achieved through the presence of the military, there is hardly any limit to the excesses he can indulge in. Taking these factors into consideration, when the Commission has had to answer the question of the means to prevent a recurrence of the uprising, it has had to seek the answer in suggesting how the highlighted deficiencies and disadvantages could be addressed.

Regarding the assertion of respect for the authority of the law, it is believed that this can only be achieved through the presence of an appropriate military force on the island. In its letter of January 3rd of this year, the Ministry has distinguished between three periods: the time during which the current labor regime will continue, the subsequent transitional period from the abolition of forced labor until a new arrangement can be assumed to have taken hold, and finally, the period thereafter when conditions could be considered to have returned to normal.

Regarding the first question, the Commission has already had the honor of expressing its views in a telegram and a letter to the Ministry of Finance on February 9th and 12th of this year, respectively.

As for the second period, the Commission must acknowledge, in accordance with what has been stated in the aforementioned letter from the Ministry of Finance, that a larger military and police force will be necessary during the transitional period that will occur in the near future after the current labor arrangement is lifted. Regarding the military, since it is hopefully only a relatively short transitional period, the Commission considers it most advantageous to reinforce the presence by sending a manned warship that could station at the island during that time. As for the police force, a suitable increase would need to be arranged. However, when the Ministry in its aforementioned letter alludes to the possibility that the corvette "Dagmar", which is scheduled for a 5½-month cruise, could be present at St. Croix at the beginning of the transitional period, the Commission, in agreement with this idea, would like to note that it is likely that the corvette may need to remain there for a longer period than the total duration of the 5½-month cruise it is initially intended for.

Regarding the time when conditions can be considered normal again, the Commission does not feel capable of expressing a definite opinion in advance regarding the necessary military force at that time. Although disregarding the current need for 15 men to guard the prison in Richmond, which is currently occupied by prisoners but is expected to be reduced to normal capacity in the near future, it is not considered likely that it would be advisable to further reduce the current military force unless a warship

is stationed at the islands, which could constantly provide a detachment for land duty. This arrangement would likely have the additional benefit of keeping this part of the military force more isolated from the negative influences to which soldiers are easily exposed. Moreover, the mere presence of a [Notice 419] warship at the islands, apart from the benefits it would bring in other respects, would further contribute to maintaining order and strengthening the authority of the government, and the Commission feels compelled to emphasize this point once again.

A question that will be significant concerning the military force is the manner in which it is deployed on the island. In accordance with its preliminary statements on this matter in its letter of February 12 of this year, the Commission notes that it would undoubtedly be the most advantageous arrangement for the main force to be established in Kingshill, while only sending guards of around 20 men to each of the two towns, with which the central station could easily establish optical signal communication. There can be little doubt that through this approach, one would be best prepared to have sufficient strength to suppress potential uprisings at any point on the island. Similarly, it would be in the interest of the military force itself if such a change occurred, as it would make it possible to shield it to a greater extent than is currently the case from the negative influences mentioned above, arising from the irregular life in the towns, and probably also through organized work of various kinds alongside the exercises, providing the personnel with useful employment and additional earnings, which they could certainly benefit from given their meager wages. However, while expressing this view, the Commission cannot withhold its concern that under the current circumstances, such an arrangement might entail greater expenses than would be justifiable. On the other hand, a valid objection can be made that the main strength of the military is not located where the superior administration and command are based, where there are already good and sufficient military establishments, and where the most important public funds, the only banking institution, etc., are established. Therefore, while the Commission continues to consider the former arrangement of these matters as the most favorable, believing that the highlighted drawbacks, excluding financial considerations, are not greater than could be overcome, at least for the most part, it also states that if the importance of those considerations were found to be overwhelmingly significant, a distribution of the force in accordance with the Commission's letter to the Ministry of Finance of February 12 of this year would probably meet the requirements that may be placed on the aforementioned force in a sufficiently satisfactory manner. [Notice 420]

The necessary free and somewhat independent use of the military force for suppressing such movements among the laborers, as well as the overall insignificance of the force itself, naturally draws attention to the establishment of citizen militias. In the Commission's opinion, it would be natural and appropriate if the provision in §82 of the Colonial Law regarding the obligation of residents to contribute to the defense of the island were utilized to ensure lawful order during potential disturbances. This would involve the establishment of citizen militias for the two towns, in which every able-bodied man would participate, and the creation of a mounted patrol corps for the countryside, to which planters and overseers, perhaps even with some of their most reliable people, could contribute highly useful personnel. With minimal training, which could be overseen by the officers of the military force, these militias could acquire sufficient skills in movement and weapon usage to potentially serve within narrow limits dictated by the circumstances. Moreover, by establishing a specific albeit weak organizational structure for such a force, it would avoid or at least diminish the disadvantages of potentially relying on voluntary assistance, whose

utilization in the given moment could easily lead to disorderly and uncontrolled use of power and, consequently, excessive repressive measures. Restraining such excesses in a situation like a rebellion can be extremely difficult, if not impossible. The Commission considers it self-evident that the weapons allocated to these militias should always be kept under the protection and supervision of the military force, except during training exercises.

In connection with the recently mentioned efforts to secure the necessary means to uphold respect for the law, one must naturally consider other measures that can contribute to alleviating the discontent currently harbored by the laboring population and fostering their intellectual, moral, and social development, thereby counteracting emerging tendencies towards excesses that could bring them into conflict with the lawful order.

The first measure that presents itself is the abolition of the existing labor regulations, which, as mentioned, have already been violated in various ways. Instead, the introduction of free labor based on agreements between employers and employees, both regarding working hours and wages, should be implemented. It can hardly be doubted that such a transition from the current state of affairs, at least initially and given the circumstances on the island, will create inconvenience and difficulties, particularly for employers and authorities. However, just as one should not be discouraged from taking the aforementioned step, it is equally important [Notice 421] to facilitate the transition from one state to another through every possible means. Therefore, simultaneous with the complete liberation of labor, a servant law should come into effect to ensure the mutual duties and rights of employers and workers in the most secure manner.

A particular aspect of this law that deserves special attention is the one concerning the deadlines for service contracts and corresponding notice periods. Naturally, there can be no question of partially reintroducing provisions from the labor regulations, such as the imposition of annual contracts. However, considering that the current agricultural conditions make it a well-founded desire for plantation owners to enter into annual contracts, it is suggested that the servant law could state that in the absence of any other agreement between employer and employee - an agreement that could optionally be required to be reported to the police authorities - the employee in question should be considered contracted for one year. A similar provision already exists in the general servant law, although there the assumed service period is half a year.

Insofar as both parties may wish to enter into contracts for a longer period, it would certainly be appropriate to allow for multi-year contracts. It is indeed possible that some laborers, especially older ones, would prefer to continue receiving part of their wages in kind and based on commissions, as has been the case thus far. However, the laborer often engages in the cultivation of the latter imperfectly or not at all when they know that they may have to leave their place of residence in less than a year. Nevertheless, it is considered obvious that there should be a limitation regarding the duration for which contracts can be made.

As for the notice period, in order to prevent the employer from suddenly losing a potentially significant workforce, a minimum of 14 days should be set for monthly contracts, and for contracts of six months

or more, the notice period should be three months. Finally, it is deemed highly appropriate that the future servant law for agricultural laborers specifies what constitutes a workday in the absence of any other agreement. Additionally, it should clearly outline the requirements that can be imposed on laborers in extraordinary situations as well as during the harvest season.

Among the penalties for breaches of contract on the part of the servant, it is likely unavoidable to include public work considering the circumstances on St. Croix. However, it should be explicitly determined that laborers sentenced to public work for breach of contract should, as far as possible, be kept separate from actual criminals during their work (in open areas), and in prison, they should always be kept isolated from them. The commission feels compelled to make this remark as it has had the opportunity to observe that laborers convicted of contract breaches are treated just like individuals sentenced to public work for serious crimes, which directly undermines the awakening of the common people's awareness of the significance of the concept of "crime".

In addition to a servant law, there must also be a vagrancy law. The commission assumes that [Notice 422] drafting such a law in a way that can have a comprehensive impact will have significant, though not insurmountable, difficulties. It is undoubtedly true, as indicated in the Ministry's letter of January 3rd, that the abolition of labor regulations, especially in the beginning, will lead to a larger number of vagrants. The lazy and undesirable elements within the working population, whose numbers unfortunately are not small, would avoid committing to any steady employment and instead pursue their inclination to work for a few days a week to earn enough for their sustenance, which they then spend in idleness and indulgence as mentioned earlier. This way of life aligns all too well with the entire character of the negro, and his frugality with regards to food, as well as the climatic conditions, greatly favor the development and satisfaction of the inclination to lead such a life. A worse manifestation of this would be observed in individuals who do not even care to earn the little they need for their livelihood through work but prefer to acquire it through theft.

In the case of negroes, under the mentioned conditions, a person can live and be well-nourished by easily obtaining and consuming fruits and sugarcane as they are, along with a small amount of meal or a little bread. Moreover, the climate in the West Indies generally allows the native population to spend the night under the open sky if they cannot find any covered place to sleep, although this is highly unlikely. Finally, the requirements for clothing for those not driven by vanity in this regard can be reduced to a minimum in every respect. It is clear that all conditions are present for vagrancy to thrive.

This matter becomes even more serious when considering the difficulty of imposing effective punishments for this offense, despite acknowledging the necessity of a strict vagrancy law, without resorting to less humane provisions that should be avoided. As an example of the difficulties involved, it should be noted that a punishment commonly used in the Kingdom<sup>4</sup> for this offense, namely bread and water, would hardly deter a vagrant who already lives freely on nearly the same diet. The most deterrent and therefore effective punishment for vagrants would undoubtedly be strict agricultural labor. For this reason, it may be appropriate to consider, when determining the punishment for vagrancy, whether it

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<sup>4</sup> Denmark

would be possible to counter this problem in the most useful and advantageous way by imposing strict labor on the plantations belonging to the state. These plantations would then become a form of forced labor institutions for which a special labor regulation would need to [Notice 423] be established.

As a milder but still beneficial measure, the commission has also considered the possibility that regulations analogous to the provisions of the ordinance of March 25, 1791, §1, and the proclamation of December 16, 1840, applicable to agricultural laborers, could be effective. Such a provision, which would likely find its place in the servant law, could of course be repealed if deemed unnecessary.

Finally, changed provisions regarding poor relief, which has previously been the responsibility of the plantations for the country, medical supervision, midwifery, etc., may be necessary. The commission will further elaborate on this in the following.

However, even if the multifaceted task presented is successfully resolved in a satisfactory manner, it remains highly doubtful whether there will be enough labor force on the island under the changed conditions. In this regard, it should be considered, among other things, that the very rebellion is likely to contribute to a decrease in the number of agricultural laborers, as many laborers may seek to leave the island at the next change of shift due to the awareness of their perhaps previously hidden, active participation in arson and the fear of it being discovered sooner or later, subjecting them to legal punishment. As a counterbalance to this, it will certainly have an effect if, before that time, the commission established on October 25th of last year could have completed its task and subsequently an amnesty could reassure those affected in the aforementioned regard. It should certainly be attempted, at least, to make do with the current population of the island through free labor, but prudent foresight will likely dictate that if hope in this direction should fail, it is timely to ascertain through which type of immigration from elsewhere such a calamity could be effectively and affordably mitigated. In this regard, there is no encouraging sign from the conditions on the other neighboring West Indian islands where labor is free, and, apart from the overpopulated island of Barbados, all are experiencing a significant decline due to a lack of labor. As the indigenous population refuses to work more than is absolutely necessary for their subsistence, they are seeking to address this by importing foreign labor.

Thus, while the organization of labor conditions and everything related to it presents several difficulties, the measures aimed at elevating the negro population to a higher intellectual, moral, and thereby social level pose an even more challenging task. The two directions that thought must move in, when it comes to progress in this regard, naturally point towards the home and the school. However, in both these aspects, only a few bright pictures currently emerge. It has been expressed about the negro child that it has no father and only a minimal degree of a mother, and unfortunately, this expression generally contains a sad truth. Family life is generally a concept that is absent here, where concubinage is the norm and marital connections are exceptions. Efforts have been made from various quarters, especially from the side of the priests, to redirect the population's views. One of the preachers of the local creeds even refuses to baptize illegitimate children and seeks to induce the parents to marry through this route. However, when these efforts from the side of the priests [Notice 424] generally yield little fruit, the reason partly lies in the mixture of creeds that one encounters here, almost everywhere, and which often manifests

within the same family circle, where different members frequently adhere to just as many creeds. As a result, the authority of the priest has no significance for the other members of the family.

In addition to this, there are many examples of men and women who have lived happily and contentedly together in concubinage but, after getting married, have entered into a mutual state of discord that often ends in quick subsequent divorce. These circumstances have gradually dampened the enthusiasm for working in that direction, as it has been shown that the feeling of mutual freedom usually binds them stronger to each other, while the bond in marriage works in the opposite direction. It is obvious that under such conditions, life in intellectual and moral aspects will be at a very low level. Children are usually seen as burdens and are treated accordingly, even when they are very young. Similarly, when they are older but still very young, they are used to carry out tasks that their abilities in some way allow, often exposing them from an early age to concepts of right and wrong that suppress or even eradicate all moral sense and strength in them. It is certainly still a duty for religious teachers to oppose this situation and, despite the unfortunate examples, strive to promote marriage and thereby the development of a better family life. It is reprehensible from this standpoint if, based on past experiences, they give up on countering disorderly connections and, as several expressions presented to the Commission indicate, let things take their course. However, hoping for a swift change in this regard and basing expectations of a moral uplift of the population on this hope would certainly be surrendering to an illusion. Therefore, for the time being, it is the school, and the school alone, to which one must look and turn, not only directly as a means to spread knowledge and education among the population but also indirectly by keeping the children away from home for a longer period, thus as much as possible shielding them from the influence that home usually exerts on them. This is a great and difficult task entrusted to the school, with the prospect that instead of being a support for the school under different circumstances, the home continually undermines a large part of what has been established with effort and difficulty in the minds of children.

However, as this path is currently the only one to be taken, it should undoubtedly be attempted, according to the Commission's opinion. The question then arises whether the state of the educational system, especially for [Notice 425] the rural population, is such that a good result can be expected. When this question is answered negatively after a closer examination, as conducted by the Commission, the blame falls less on the teachers in the schools and the instruction provided by them, but rather on other conditions that hinder the school's operations and weaken and, to some extent, nullify the influence it has on the children. Among these children, the black population, in terms of receptiveness to education, is not inferior to white children and, in certain aspects, even displays a particular aptitude, for example, in writing, which was found to be relatively advanced in rural schools. The goal in question can only be achieved if children spend a longer period of the day in school and are thus influenced by teachers, if compulsory education is strictly enforced, and finally, if schooling starts no later than age 6 and ends no earlier than age 12. A schooling system that, like the present one, starts at age 6 and ends at age 10, with illusory compulsory education that lacks sufficient enforcement, as there is too little resistance against parents' strong tendency to keep children at home instead of attending school, and with a daily school time of only 4 hours, cannot make a significant contribution to solving the task at hand. Therefore, comprehensive changes should be made in the aforementioned aspects.

The justification for these changes will become sufficiently clear from the preceding text, while the Commission's views on the form and implementation thereof would naturally find their proper place in the discussion of the islands' financial situation. Here, we are faced with a means whose application is expected to yield results only after many generations have passed. However, if one does not tackle the issue vigorously through the only available path, one will immediately abandon the idea that the black population will ever be able to elevate itself from its current low standpoint. What makes the matter even more difficult is the entire social perception in the colony, which, although it has undoubtedly made progress for the better in the last decade, consciously or unconsciously still opposes the realization of the idea of elevating the colored population to true equality with the white population. It would certainly be unfair to accuse the latter of mere prejudice regarding the color question, which undoubtedly was more pronounced and prevalent in the colored population's intellectual and moral standpoint in earlier times (as clear traces are still visible or remembered vividly), hindering social equality between the two races. However, it must also be remembered that the white population has played a significant role in many of the burdens imposed on the colored population. Far from lifting the other race up to its level, the white population has often taken advantage of [Notice 426] their weaknesses and vices, creating numerous ambiguous situations that now pose obstacles to the cooperation in social aspects, which is a fundamental condition for rapid progress in the civilizing work that can alone ensure that calamities like the recent one on St. Croix are not repeated at regular intervals.

The recent unfortunate events have naturally increased the antipathy associated with the color question, although it is hardly accurate to characterize the uprising as a rebellion of the black man against the white man. Rather, it should be seen as the violent aggression of the laborer against the possessing and employing class in society. These events have also necessarily dampened the spirits of those who had gradually gained trust in and sympathy for the black population, as they witnessed every justified expectation in this regard bitterly disappointed by the uprising. This, too, will narrow the path forward, making every step on it difficult and slow. The Commission did not believe it should withhold a more detailed statement on this specific point to prevent anyone from mistakenly thinking that the recommended solution, namely better education, could serve as a quick antidote to the societal ills discussed here. The remedy for these issues can only be achieved through sustained efforts spanning generations, with the authorities and the intellectually and morally privileged classes working diligently to heal the wounds.

While, according to what has been stated above, only few and slow progress can be expected in the social aspect for the majority of rural laborers, which primarily needs to be achieved through better education and the cultivation of healthy moral concepts, the question remains whether something exceptional could be done to elevate at least some individuals of the current generation of said population to a material standard that could be considered desirable for others belonging to the same category. It is self-evident that exceptions to the general rule exist even in the present generation, and while these exceptions may not significantly impact the moral standpoint, they do present factors indicating a desire to rise above the overall low material standard. Although vanity often plays a role in this, there are also examples of foresight manifested through thriftiness, as these individuals manage to accumulate modest means out of their meager earnings. These means, though often of small magnitude, enable them to purchase a small house [Notice 427] in the nearest town, which they rent out until they themselves have a need for it, or



to buy or lease a piece of land, which they cultivate with vegetables or, in dry years when they yield no profit, often plant with sugarcane. The owners or tenants of these properties or portions of properties, commonly referred to as "squatters" on St. Croix, can make a decent living through reasonably diligent work, and there are no significant obstacles to their expansion. Obtaining land for purchase or lease, particularly on the eastern side of the island where many plantations lie uncultivated and yield such meager profits that their owners would gladly increase it by leasing some of the land for the mentioned purpose, would likely not be difficult.

An expansion of the squatter phenomenon would not only bring benefits in terms of national economy but also, as it gained wider spread, create a class within the population predominantly composed of agricultural laborers. They would be attached to the place through permanent or temporary possession and have an interest in maintaining order and tranquility. Supporting the ambitious and industrious worker in their efforts towards such a goal would undoubtedly yield positive results, not only for the individual but also as encouragement for others to strive and earn what they deserve. In this regard, it would be highly desirable to establish a savings bank again, following the liquidation of the previously existing one that was widely utilized by the working class due to inadequate management. However, in order for such an institution to gain trust, it would require sufficient guarantees from either the Colonial Treasury or the government regarding the deposits received, unless the St. Thomas Bank could be persuaded to merge such an institution with its branch established in Christiansted.

Indirectly, through the development of the squatter phenomenon, there could also be a moral impact. Ownership usually entails a desire in the individual to pass it on to their descendants, which can have a positive influence on the nature of the relationships formed, aiming to establish a more normal situation in this regard compared to what currently exists, as mentioned above. However, a key requirement for progress through ownership or leasing to have any significance is that the squatter in question can have their sugar harvest processed elsewhere. Acquiring the necessary machinery or buildings for this purpose is out of the question for them. The most feasible option for achieving this goal is for such small-scale individuals to sell their harvest to the communal sugar refinery for further [Notice 428] processing. The significance of the latter establishment is already evident from this perspective. However, the importance of this institution naturally extends much further and will likely become decisive for the entire island's existence as a sugar-producing entity under the proposed altered conditions.

Already now, as mentioned above, the lack of sufficient labor is keenly felt, and its impact, as far as can be discerned, is likely to become even more significant when the current restrictions on labor freedom are loosened. Therefore, if the work as a farmer and manufacturer has already suffered under the existing conditions due to its division, this circumstance will become even more pronounced when the working conditions are reorganized towards free labor. In both cases, the encompassing of both activities will be detrimental to both sectors. The country's cultivation will be less effective, and the product produced through factory operations will be of such poor quantity and quality that it will become a highly questionable matter whether sugar cultivation can be profitable or not. It is a well-known fact that the plants in their sugar factories can only extract around twenty-four percent of the sugar contained in the canes, leaving the remainder in the canes so that, after being pressed, they can serve as a sufficient quantity and quality of fuel for the boiling kettles. It is of no use to the plantation owner if they can extract more

juice from the canes than they can evaporate since the rapid completion of this last process is a requirement for sugar crystallization. However, for the swift evaporation, the use of the sugar-rich fuel is necessary to produce a strong flame. Thus, there is a loss in quantity through this process, and the quality of the product obtained on the plantations is so poor that the price currently obtained for it does not correspond to the labor invested in its production. Furthermore, there is the loss that the sugar undergoes during transportation, which typically amounts to 8%. It can be easily seen that under the current conditions, competition with other countries' productions in this regard is unlikely to be sustainable, and the expenses of the plantations would be so high in relation to their income that it becomes highly doubtful whether St. Croix can be maintained as a sugar-producing island under these circumstances. Additionally, the fact that a considerable number of laborers are employed in the plantation's boiling house for a long period of the year has a detrimental effect on cultivation. The regular treatment of the soil and planting often suffer undue interruptions, which, in turn, affect the next year's harvest. Under ongoing unfavorable conditions, the timing of the harvest easily becomes disrupted, which is likely the case at present.

In all these circumstances lies the great significance of the Central Sugar Factory for St. Croix. It is this institution that will take on the factory work for the planter [Notice 429]; it frees their labor from the constraints that sugar boiling has imposed on it until now, allowing them to distribute it in the most efficient manner. It also assumes the marketing of the product, thus giving the planters time and peace to focus their attention exclusively on agriculture. Furthermore, it is able to increase the quantity of the product, as it does not need to consider the preservation of the fuel canes, and therefore can extract as much juice from the sugarcane as possible. Finally, through a distinct method of operation, it can produce a product that is very beautiful and of high quality, enabling it to compete in the market with products from other countries. It should be emphasized that it is precisely by delivering a superior product in terms of quality that the production of cane sugar can compete with the production of beet sugar, which, when only quantity is considered, should be easier to produce than the former. The Central Sugar Factory thus becomes a necessary supplement, likely an indispensable condition for ensuring that sugar cultivation on the island does not come to a standstill. However, this becomes even more critical under the expected new working conditions when, as can be presumed, the already limited labor force will be weakened, at least initially. Under these circumstances, it becomes all the more necessary to concentrate the labor force on a few objectives and utilize it as economically as possible, which also leads to the expectation that the work can be done more intensively.

The liberation of the planter in terms of production and marketing of the product will play an even greater role, as the island's agriculture, in order to be profitable, can hardly remain at its current level. Superficial treatment of the once fertile soil will likely not suffice for a long time and must be replaced by a more rational and careful approach to ensure an adequate yield. The reduction in labor will likely lead to a smaller area being used for sugar cultivation, but with a more intensive approach to achieve, if possible, the same yield. The question of substituting some of the labor with machinery will undoubtedly arise in many places, along with the aforementioned issue, and together, they will demand the planter's time and resources.

Whether the competition in sugar production, which is spreading over an increasingly larger territory, will allow for the preservation of cane sugar cultivation is a question that only the future can answer. However, for this to succeed, the Commission, as stated above, must believe that it can only happen through a division of labor between the farmer and the manufacturer. The question of whether the unfavorable conditions that halted the operations of the Central Sugar Factory last year can be improved [Notice 430] and overcome through the proposed changes and improvements is undoubtedly a matter of survival for St. Croix as a sugar-producing island.

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The second task assigned to the Commission by the highest mandate was "to investigate the damage caused by the uprising and make proposals on how assistance can be best provided to remedy it". In accordance with the development outlined in the Ministry of Finance's letter of January 3rd of this year, the Commission has carried out the necessary work in this regard, the results of which are presented in the Commission's letter to the Ministry of Finance dated March 6th of this year, No. 4. The Commission refers to this letter, as it does not see the need to add anything further to what has already been noted on this matter in the aforementioned correspondence.

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The third task entrusted to the Commission by the highest mandate was "to grant temporary loans on behalf of the Minister of Finance from the interest-bearing funds of the Treasury, against sufficient security, to those affected, particularly in Frederiksted, who are unable to resume their livelihood in any other way".

In its letter of January 3rd of this year, the Ministry of Finance, leaving it to the Commission's discretion to determine whether the security offered in each individual case could be considered sufficient for the temporary loans, noted that the full repayment should not extend beyond January 1st, 1881, and the interest rate was assumed to be set at 6%, likely the lowest prevailing rate on the island.

What the Commission, based on local conditions, has deemed to be sufficient security for obtaining the aforementioned loans, it has communicated to the Ministry of Finance in its letter dated February 12th of this year, No. 2. As later communicated in the letter of February 26th, No. 3, only a few loan applicants have come forward, and they have consistently stated that they cannot accept loans under the conditions specified by the Ministry. As further indicated in the latter report, the fact that the Commission, at its own discretion, offered the loan applicants a repayment period of 5 years has had no effect, as a minimum repayment period of 10 years was generally deemed to be the only possible condition for accepting the loans. The decision on this matter was therefore deemed necessary to be referred to the Ministry in the report. Since it became apparent from the telegraphic correspondence that took place between the Ministry and the Commission that the Ministry considered it necessary to obtain the consent of the

Rigsdag<sup>5</sup> for lending under the conditions stated by the Commission, no definitive result could be achieved in this regard during the Commission's stay in the West Indies. Thus, according to the Commission's letter to the Ministry of Finance dated April 21st of this year, regarding the loan matter, it is evident that the Commission [Notice 431] has only been able to grant one loan of \$4,000 to merchant Junghans in Frederiksted, and the other loan applicants were notified under March 27th, through the Presidency of St. Croix, that the Commission was unable to provide them with a final answer to their requests before its departure.

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In connection with the investigations regarding the causes of the outbreak of the rebellion and the means to prevent a recurrence thereof, the Ministry has finally raised the question, in its letter dated January 3rd of this year, of whether the prerequisite for the Colonial Act of November 27th, 1863 - that the island of St. Croix is capable of bearing all the communal as well as state expenses resulting from the law - is still present. To that end, the Ministry has instructed the Commission to examine the island's minimum requirements for administration, police, education, welfare, military, etc., as well as its economic condition, particularly its tax capacity. The Commission's attention is also drawn to the significance of the Central Sugar Factory as a support for economic development, as well as the possible improvement of agriculture. If the result of this investigation should indicate that the island is not capable of bearing the absolutely necessary expenses, at least in the near future, the Commission is tasked with considering what changes - temporary or permanent - in the arrangement of the mother country's relationship with the colonies under the Act of November 27th 1863 may be necessary.

Regarding the significance of the Central Sugar Factory and intensified agriculture, the Commission would like to refer to the remarks on this matter that have already been made at an earlier point in this report. In relation to this matter, the Commission would like to express the following:

To clarify the islands' minimum requirements regarding administration, etc., the Commission has examined each item on its budget's expenditure side and, using all available means at its disposal, has ascertained the necessity and sufficiency of the expenses. While it was naturally imperative to seek to limit these expenses as much as possible, it soon became evident that, at least for the time being, alongside significant savings in one area, it would be unavoidable to increase expenses to a considerable extent in many areas in order to achieve a true guarantee for the preservation of order and peace and to provide the necessary conditions for the advancement of the population, especially the working class, in both intellectual and physical terms. The need to allocate substantial resources in both indicated directions is easily understandable. Even if one were to disregard the limited inclination to allocate expenses without the prospect of resulting tangible benefits in the near future, which exists in the class of the population to which the demands must be primarily directed, the island's entire economic [Notice 432] condition in recent years has been so unfortunate that there has been a shortage of resources to promote the island's development in every aspect.

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<sup>5</sup> Rigsdag: The Danish parliament. From 1849-1953, Danish parliament consisted of two chambers: the Folketing (the lower house) and the Landsting (the upper house)

As the Commission turns to the individual budget items, starting with the "Local Superintendency", it must note that it has been informed by the Government of their letter to the Ministry of Finance dated January 15th of this year regarding the abolition of the presidency in St. Croix. Considering the President's overall position, the Commission can only regard the implementation of the measures in question as correct. It must also be acknowledged that, in the event of the Governor's necessarily extended stay in St. Croix, arrangements need to be made for his accommodation, which is estimated to cost no less than \$2,000, while the budgeted amount of \$500 for the Governor's travel expenses and the like during his stay in St. Croix can be reallocated. With regards to the Governor's letter concerning the abolition of the presidency in St. Croix, which also proposes various salary increases, the Commission sees no reason to comment on it. Specifically, regarding the suggestion that the current Assistant post in St. Croix, which is paid at \$1,000, should be increased to \$1,200, like the other Assistant positions, considering that the Governor has reserved the right to transfer the Assistants from one island to another, it would render the provision illusory. It should be noted that it would be most appropriate to standardize the starting salary for all Assistants at \$1,000 and provide them with a special annual supplement of \$200 for their stay in St. Thomas. Based on the presented information, the Commission assumes that a saving of \$4,500 can be made in the budget item "Local Superintendency".

In the budget item "Various Branches of Administration and Public Institutions", some savings could indeed be achieved under "Officials in Administration" if the treasury duties were transferred to the Customs Office, which is not deemed incompatible with the proper handling of both offices' affairs. Likewise, some savings could be achieved through simplification of the tax administration. However, if this were to be accompanied by the introduction of new taxes, especially a personal tax, as we believe we should recommend, it is unlikely that any definitive savings could be expected in this regard.

Regarding the "Judicial and Police System," the changes in the circumstances resulting from the formal abolition of the labor regulations - as previously stated in this report - are expected to necessitate stricter rural police supervision, and certainly, especially in the beginning, the intervention of the police will be required. Assuming that the military force on the island will remain approximately the same as it currently exists, it can, however, provide valuable assistance to the police, particularly in the [Notice 433] Frederiksted District, as a larger portion of the troops stationed in that city will be ready for action. In such a case, according to the Commission's opinion, partly based on statements from the relevant authorities, it would be sufficient to increase the police force in Christiansted by 2 officers, thereby increasing the mentioned budget item by \$744 for their salaries and around \$50 for their uniforms (which latter expense, however, will typically only occur every 2 years). Thus, the total additional expenditure compared to the current situation amounts to \$794.

"The Military Department" will naturally be the budget item where the largest increase will occur. Assuming that the strength will be as proposed by the Commission, namely 130 enlisted men, and that there will be 2 military stations in Christiansted and Frederiksted (with the latter having rotating personnel), the organization of the troops, considering the tasks assigned to them, will likely be most prudent as indicated in Annex 2, which also includes a budget for the expenses of the mentioned force. One particular item listed there, namely C. "Recruitment costs", is calculated based on a 4-year engagement of the personnel instead of 6 years, a change that the Commission must recommend. It is

indeed a fact that the last 2 of the 6 years spent by the personnel in West Indian service are as detrimental to the service as they are to the individuals. After 4 years, individuals are typically completely devoid of any desire and zeal for the duties imposed on them. The climate has an enervating effect on them, and they either fall into melancholy and homesickness or indulge in vices that are easily satisfied under West Indian conditions, such as alcoholism and licentiousness. With such depressed and somewhat deteriorated individuals, the service cannot be properly performed, especially as bad examples easily influence the younger people. It is a strongly nurtured desire among the officers that this disadvantage could be eliminated through a shorter period of service, and as mentioned, the Commission can only recommend the fulfillment of this wish. As can be seen from Annex 2, the expenses for the military force in St. Croix would amount to approximately \$49,325, resulting in an expenditure increase in this budget item of \$23,977.

It can be considered commonly known the important role forest growth plays everywhere when it comes to protecting the soil from excessive moisture loss, as well as its influence on rainfall. It is also a well-known fact how much St. Croix, where there are only a few places resembling actual forests, has suffered from a series of dry years, while other West Indian islands that have abundant forest cover have largely avoided the unfortunate consequences resulting from it. There is certainly ample reason to pay attention to this matter. Much would already be gained if the roads were [Notice 434] planted with trees with dense foliage to a greater extent than is currently the case, but one should probably not stop there. There are still remnants of former forests that new plantations could partially connect to, and there are also stretches of land that are suitable for forest cultivation. However, considering the circumstances here, where there is not a tendency to sow unless there is an immediate prospect of a harvest, relying solely on private initiative to promote forest cultivation or tree planting would be more than optimistic. It should also be reasonably taken into account that the economic conditions, even when there is good will, would often prevent individuals from undertaking anything in the direction suggested here. Therefore, we consider it most appropriate to allocate a sum of \$1,000 to promote tree planting. A small portion of it would be needed for supervision, which could be adequately carried out by the Chief Superintendent, who oversees streets, roads, etc., while the remainder would be used for free distribution of plants, but primarily for loans for fencing, which is absolutely necessary to protect young plantations, and possibly for rewards to individuals who set a good example by planting and fencing previously uncultivated areas. It is only natural to consider that the matter should also be facilitated by exemption from customs duties for fencing materials, as well as by appropriate penalties aimed at protecting tree growth.

In the preceding paragraphs, the Commission has extensively expressed its opinion on the importance it believes should be placed on the education of the youth if society is to be significantly uplifted from its current state. Consequently, it will be considered natural that we should recommend taking serious measures to promote education. Regarding children belonging to the working class, we believe, in accordance with what the School Inspector for St. Croix has stated in the enclosed statement, that education should be provided for a longer period than currently, and the number of daily instructional hours should be increased. Additionally, school attendance should be facilitated by establishing two new schools in rural areas. Furthermore, we find even more reason to express that the so-called "citizens' schools" should contribute more than before, as it is important for parents who wish to provide their children with further education beyond what can be received in public schools to have this opportunity available, thus avoiding the need to send their children far away, which, of course, will only be feasible

for a smaller number. As for the means to enhance the citizens' schools, we agree with the School Inspector that they should be sought through improvements in the teaching staff and expansion of the curriculum. At the same time, we endorse his view on the correctness of increasing school fees and reducing the previously extensive exemptions from payment. As for the increase in expenses resulting from the suggested reform, it can hardly be estimated at less than approximately \$1,700 for rural schools and less than \$2,100 for urban schools. The School Inspector, by estimating the additional expenses for the former schools [Notice 435] at \$1,400 to \$1,500 and for the latter at approximately \$2,000, probably did not account for a sufficient amount for the lowest-paid assistant. However, an amount of \$6,000 is also added for the reconstruction of the burned schools at Mt Victory and Kingshill, and \$12,000 for the construction of two new rural schools, as well as for equipment and teaching materials for all rural schools.

We would like to note at this point that, in our opinion, it is of the utmost importance for the School Inspector to become the Chairman of the School Commission, and we consider it self-evident that, in conjunction with a new organization of the educational system, serious measures will be taken to enforce compulsory schooling.

The undersigned, Tvermoe, would like to add the remark that even with the proposed improvement of the educational system on St. Croix, there will still be a significant deficiency compared to that on St. Thomas, as only recently has a complete secondary school been established there. Even with the education intended for children in the citizens' school, it seems most likely to me that it will only satisfy a rather small portion of the population, while the unfortunate practice of sending sons away from their homes in the West Indies to Europe at a young age, which is detrimental in many respects, including the preservation of inherited racial prejudices, will continue to prevail. If there were a secondary school on the island, a large number of families' children could receive adequate education there until the age of 16, that is, until their upbringing at home is completed. If one were not satisfied with the achieved secondary education, these children could then be sent away with much greater benefit and for fewer years. It seems to me that both the school on St. Thomas and the analogous one that I imagine should exist on St. Croix, once they are sufficiently consolidated, could grant the students the same rights through their final exams as the corresponding examination in the schools of the kingdom, which would not only be fair in itself but also encouraging for school attendance in those places. The increased expense does not appear to me to be particularly discouraging, as the establishment of a secondary school, for example, in Christiansted would naturally absorb the citizens' school there. The expenses for the secondary school on St. Thomas are estimated at \$5,000 annually, while those for one of the reformed citizens' schools are approximately \$3,800 per year. The difference is thus only about \$1,200.

Regarding the "Healthcare System", we have already had the opportunity to express our opinion on the indifference that negroes often show towards children. Particularly, the young children are subjected to poor treatment, which results in an extremely high mortality rate in the first year of life. Additionally, newborns acquire umbilical hernias, of which a significant number of individuals suffer, especially on St. Croix. In regard to these considerations and other aspects related to the healthcare system, we refer to the attached statement by the Island's Physician, along with several appendices. We fully support [Notice

436] the proposals put forth by this official for the organization of the midwifery service, which would require:

6 midwives trained at the Royal Maternity Foundation (2 at \$320, 4 at \$200)	\$1,440
20 assistant midwives at \$40 each ____	\$800
Total:	\$2,240
Since there are already 3 midwives, the additional expenditure would amount to ____.	\$832
Thus, the extra cost would be	\$1,408

However, it should be noted that this expense would likely be somewhat reduced, as it cannot be expected that the entire estimated number of assistant midwives will be available immediately. The following one-time expenses would also be incurred:

Training of 3 midwives in Copenhagen	\$810
Training of assistant midwives (\$40 each) ____	\$800
Total:	\$1,610

This amount, as mentioned above, would not be fully spent in a single year.

Currently, on St. Croix, apart from three doctors holding public positions, there are three other doctors. One of them, the recently retired military chief physician, will be leaving the island soon, while another is elderly, and the third is already in advanced age. In addition to their salaries provided by the government, the doctors have found support primarily in plantation practice, where it should be noted that plantation owners are entitled to deduct certain amounts from the laborers' wages to cover the expenses for medical care and medicine. Undoubtedly, there will be a significant change with the abolition of the labor regulations in this regard.

Considering the doubtful possibility of imposing a tax on plantations to cover the expenses for doctors, as well as other measures that need to be taken for the preservation of the laborers' health, it cannot be expected, at least for now, that the plantations will contribute significantly to the remuneration of the doctors. Likewise, it is unlikely that the laborers themselves would be willing to pay for a service that they often struggle to receive. Under these circumstances, which make it highly unlikely for private doctors to arrive, it is necessary for the government to ensure adequate medical care for the population by employing a suitable number of doctors and providing them with compensation that would prevent them from seeking better opportunities elsewhere.

To achieve this goal, it is estimated that a minimum of four doctors is required. Currently, there are three doctors holding public positions: the Island's Physician and two public doctors in Christiansted and Frederiksted, respectively. Therefore, there would be a need to employ another public doctor, who would ideally reside in the central part of the country, for example, in Kingshill. Alongside their other duties, this doctor could serve at a newly established hospital, which will be discussed further below. The appropriate salary for these individuals is believed to be as follows: [Notice 437]



Island's Physician	\$1,392
3 public doctors _____	\$2,500
Total	\$3,892

So far, the following expenses have been incurred:

Island's Physician	\$888
2 public doctors	\$1,200
Travel expenses, etc.	\$57
Additional expenses, particularly related to the Quarantine Service, which would be included in the colonial treasury under the new arrangement \$400	\$2,545
Therefore, the extra cost amounts to	\$1,347

However, it should be noted that the salary and related expenses for the military chief physician have so far amounted to approximately \$1,400, whereas in the future, a fee of \$600 will be sufficient for medical supervision of the military personnel, which will be included in the military expenses.

Regarding the hospital system, the existing communal and military hospitals are generally in good condition, and suitable facilities can easily be arranged for this purpose. However, there are two exceptions. Firstly, the hospitals in Christiansted require a water supply, which is particularly essential for bathing purposes, considering the climatic conditions. This is estimated to cost around \$3,000. Secondly, there is a regrettable anomaly in the treatment of mental patients, which takes place in the prison at Richmond in conjunction with the treatment of patients with open wounds (lepers at an advanced stage of the disease). Referring the treatment of the mentally ill patients currently admitted to Richmond to the existing hospitals is not feasible, as their presence would disturb the necessary tranquility in a regular hospital, and lepers cannot be treated in a conventional hospital without risk. Moreover, the confinement of these patients is necessary to limit, if not eradicate, the disease within narrower boundaries. Therefore, the establishment of a hospital for the treatment of both types of patients is highly desirable. As the need for a combined institution like the one mentioned is likely present on St. Thomas as well as on St. Croix, a cost-saving agreement could possibly be reached with the municipality of St. Thomas for the treatment of these patients in a new hospital on St. Croix. The initial setup of such a hospital, which is estimated to be least costly if located in Kingshill through modest renovation of the burned buildings there, is projected to require an expenditure of \$2,500. Assuming that the new medical post, which should also be established in the middle of the island even without the establishment of such a hospital, can be connected to the hospital, there would be no additional cost for medical treatment. The ongoing expenses are estimated to be approximately \$6,200, including \$5,000 for meals and \$1,200 for maintenance, laundry, and other related costs. It is expected that half of these ongoing operating expenses [Notice 438] will be covered by St. Thomas.

Finally, in discussing the healthcare system, we would like to emphasize the desirability of providing increased public funding for the salary of a certified veterinarian. As mentioned earlier, animal cruelty is prevalent on the island, which is partly due to the population's brutal nature and partly a result of ignorance regarding the treatment of animals, especially in cases of illness. The presence of a competent

veterinarian would likely have a beneficial effect through the necessary control and enforcement. Currently, the government provides a salary of \$60 to a veterinarian, along with \$32 for overseeing military horses, totaling \$92. Consequently, such a professional is practically forced to rely almost exclusively on their private practice, which, however, is not very profitable under the present circumstances. To enable a skilled certified veterinarian to settle on the island, it would be necessary to increase the aforementioned compensation from the government to \$800, including \$200 as a transportation allowance. Based on the above, we recommend this course of action.

Regarding the "poor relief system", it should be noted that a large portion of the population, unable to support themselves through their own work, has thus far found their livelihood on the plantations. According to the labor regulations, plantation owners are obliged to provide shelter and provisions to plantation laborers who are unfit for work. With the abolition of these regulations, this obligation will cease, and it is evident that a significantly larger number of needy individuals will become the responsibility of the government than is currently the case. Estimating the extent of this increase can only be very uncertain, but the Poor Commission has estimated it to be around 250 for Christiansted and 200 for Frederiksted, resulting in a total increase of 450. The number of individuals currently receiving public assistance is approximately 214 in Christiansted and 150 in Frederiksted, totaling around 364. Therefore, the total number in both cities can be expected to be around 814. The current support provided to these 364 needy individuals amounts to approximately \$5,600 annually. For 814 individuals, it would thus exceed \$12,500. The total expenditure for the poor relief system, currently listed as \$6,520, would thus increase by approximately \$6,900. However, it should be noted that this estimate may prove to be too low, as it may be necessary to increase the meager assistance given to each individual in need. Currently, they rely on public support as well as private charity to sustain their lives to a considerable extent. Whether private charity will be able to stretch to the same extent when the number of needy individuals has more than doubled is highly doubtful.

Finally, it should be noted that the amount listed under "Pensions" in the budget has been increased by \$3,800 for the expected pensions of Vice Governor Stakemann<sup>6</sup> (\$3,000) and Chief Physician Knudsen (approximately \$814).

As can be seen in the preceding text, an attempt has been made to make changes to the current budget so that expenses are presented with the amounts that are deemed necessary to satisfy the needs in various areas, while maintaining peace and order, ensuring reasonably sufficient administration, and advancing conditions to a level they have long been lacking. Just as no amount [Notice 439] has been included among the expenses for covering general state necessities, no consideration has been given to the increase in expenses that may result from the implementation of improved communication between the islands, as recommended in Commission Letter No. 1 of February 12th of this year. Based on the content of that letter, it must be assumed that this increase in expenses will not burden the colonies in any case. However, an amount has been included to cover the loan granted to St. Croix by the treasury, which is unlikely to

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<sup>6</sup> Johan August Stakemann (1805-1891) was the Procurator for the Superior Court from 1833 in Frederiksted and Vice Governor from 1871

be repaid in the first few years. Accordingly, as shown in the attached Summary A, it has been concluded that the annual expenses can be estimated at \$203,544.

In addition, there is an expense of \$25,110 one time.

To cover the aforementioned annual expenditure, there are revenues estimated to be \$151,303 according to Overview B.

Therefore, for the coming years, when St. Croix is to be maintained as a sugar-producing island, a deficit of approximately \$52,241 is likely to be estimated.

In addition to that, there is the aforementioned amount of \$25,110 for one-time expenditure coverage.

After conducting its examination and reaching this conclusion, it has finally been the task of the Commission, in accordance with the Ministry of Finance's letter of January 3rd of this year, to consider what changes, temporary or permanent, in the arrangement of the mother country's relationship with the colonies, as established by the Law of November 27, 1863, may be necessary. However, during the discussions within the Commission, it has become apparent that the views held by myself, Levy, regarding the answering of this question, although they align with those of the other two members in several essential points, do not coincide to such an extent that it has been possible to achieve a unanimous statement from the entire Commission.

The minority (*Levy*) shall now allow itself to express the following:

Wherever there is a deficit in a society's budget, there are usually only three options to resort to: the use of credit, which, however, is unlikely to be considered [Notice 440] unless the deficit can be reasonably assumed to be temporary; increasing taxes and fees; reducing expenses. These options could be utilized separately or in combination, depending on the circumstances.

Regarding the latter option, the reduction of expenses, it will be far from feasible if the island is to be maintained as a sugar-producing one, as the expenses may even need to be significantly increased, as previously indicated. If, on the other hand, the island is abandoned as a sugar-producing one, the expenses may indeed be reduced, but at the same time, the most significant revenues would also be greatly diminished. Based on everything outlined above, I believe it is only reasonable to hold on to the assumption of preserving the island in sugar cultivation.

As for resorting to the first option, involving the idea of taking out a loan on the general market, it is hardly a viable option. Any attempt to raise a larger loan for the Colonial Treasury would be futile, even with an unusually high interest rate. Furthermore, it is not advisable for the treasury, which already has such a large outstanding balance with the island, to engage in further lending for a long time.

Finally, it is not considered possible to seek new sources of revenue for St. Croix through an increase in existing taxes and fees, which primarily burden real estate. While it may be appropriate to eliminate certain anomalous, relatively insignificant fees and possibly reduce property taxes in certain areas, I must express my view that it would be more beneficial to simplify the tax system and perhaps restructure existing taxes.

On the other hand, an increased revenue would likely only be achievable through new sources of taxation, not limited to the introduction of a single new tax but also including both direct and indirect taxation.

In the first regard, it should be noted that on St. Croix - apart from the Absentee Tax and the 1% deduction from the salaries of public officials in general - there is no known direct personal tax. However, especially when it comes to generating increased revenue through taxation, there is all the more reason not to refrain from introducing such a tax, considering the existence of a considerable number of traders, other business owners, higher-ranking employees (managers and the like), and certain recipients of rents, etc., who, when they also happen to be owners of real estate, only pay a direct tax. It is through this means, almost exclusively on St. Croix, similar to what happens in Iceland according to the Law of December 14, 1877, §10, that a contribution to public needs can be obtained from traders residing elsewhere who derive, perhaps even significant income from the country through their local branches. The suggested personal tax, which would naturally also affect public officials, while exempting them from the tax on their salaries, would unlikely generate any revenue from a portion of the plantation owners under the current circumstances, and is not seen to pose any decisive objection. Whether the said tax should be collected as an actual income tax, I consider it unnecessary to express an opinion on, but it is understood that [Notice 441] if the latter form of taxation were chosen, it would be appropriate to collect an amount equivalent to approximately 2% of a tax levied in near accordance with the rules of the Law of February 19, 1861 (regarding income tax in Copenhagen).

If the income threshold at which tax liability begins is set at \$500, which is the income that, alternatively with certain property ownership, grants suffrage and eligibility for the Colonial Council, then, according to the attached list received through the St. Croix Presidency, there are 207 individuals on the island with an annual income of \$600 and above, totaling \$386,400, and it is also assumed that there are 90 individuals with an income ranging from \$500 to \$600, for whom a combined income of \$45,000 is estimated. By applying the deductions analogously to the Law of 1861, as shown in the attached Schedule A and Schedule B, a total tax revenue of \$375,400 and \$364,850, respectively, can be obtained, using a tax rate of 2%, resulting in approximately \$7,500 and \$7,300. For further clarification, an account prepared by the St. Croix Presidency is attached, including a supplement that shows how the income is assumed to be distributed among different categories that would be subject to a personal tax. I would like to note that the Colonial Council's previous humble report on the draft budget for 1864/65 drew attention to the complete absence of any direct personal tax, whether in the form of a business tax, income tax, wealth tax, or any other name under which it could be collected (Colonial Council Proceedings for 1864, Annex B, p. 3).

Just as the introduction of a direct personal tax would fill a gap in the island's taxation, the same could be achieved in the realm of indirect taxation through the introduction of a new tax. In this regard, in my opinion, the consumption of rum presents itself as a suitable taxable object. Similar to how in almost all European states, consumers of distilled beverages are targeted through a tax levied on their production, outside of Europe, particularly in the English colonies in the West Indies, the production of rum has been subject to a significant tax if the product does not leave the respective island. For example, as indicated in a correspondence exchanged in 1861 between the Danish West Indies government and the St. Croix City Council, a tax of 24 cents per gallon was collected in Barbados, and it is assumed that this

tax has not been reduced since then. Furthermore, in Jamaica, according to reliable sources, a tax of 5 shillings (125 cents) per gallon is even collected, a tax that is far from being considered burdensome, as it was recently discussed to increase it when the budget was expected to result in a deficit. The City Council, at that time, based its estimation on a consumption level in St. Croix equivalent to that in Barbados, leading to the conclusion that tax payment for 50,000 gallons per year could be expected. With a tax rate of 20 cents per gallon, as advocated by the City Council, this would generate an annual revenue of \$10,000. Naturally, the paid tax would be reimbursed upon export, for which a specific customs duty is calculated [Notice 442]. Similarly, alcoholic beverages imported from elsewhere, as well as types of beer that could compete with rum consumption, would be subject to corresponding import duties. It should be added that the idea of introducing a rum tax, initially proposed by the City Council, later appeared to have been considered by the late Governor Birch, who initiated a proposal for a law on the introduction of such a tax, prepared by the current Customs Officer at St. Thomas, Anthon. However, after Governor Birch's death, the matter does not seem to have been further pursued.

According to the above information, the deficit for St. Croix is estimated to be	\$52,241
By introducing the aforementioned new taxes, it is assumed that approximately \$17,500 can be collected, which, considering the possible associated expenses, is reduced to	<u>\$17,000</u>
Therefore, the deficit becomes	\$35,241

to which the amount of \$25,110 is added, estimated as one-time expenses.

Included in the expenses is an amount of \$2,000 for the Governor's table money during his stay in St. Croix. It is considered more appropriate for this amount to be covered by the National Treasury, as it does not seem fitting for the highest representative of the government to be paid by the island where he specifically has to safeguard the interests of the entire state, which may clash with the interests of the island. The fact that the Governor receives his salary from the Colonial Treasury can even be exploited in a manner that undermines the respect associated with the position. I have not overlooked the fact that the transfer of the Governor's expenses to the National Treasury could potentially lead to additional expenses by relieving St. Thomas of the obligation to pay the said official's salary. However, this consideration did not prevent me from presenting the above proposal. Even if the deficit is reduced by the amount budgeted for the Governor's expenses in St. Croix, there remains an annual amount of \$33,241 to cover, in addition to the one-time expenses.

It cannot be claimed, of course, that the unfortunate financial situation in which St. Croix finds itself is an immediate consequence of the arrangement created by the Colonial Law. On the other hand, it cannot be denied that by accepting this arrangement, sufficient attention was not given to the imprudence of segregating a small part of the state, particularly one where, due to the unpredictable nature of its conditions, greater irregularity occurs in the yield of production and consequently in revenues compared to the rest of the state. It was expected that this part would cover its expenses with its own income, although it was by no means granted absolute freedom in choosing which expenses to cover. On the contrary, due to its isolated location and limited area, it has had to bear a disproportionate burden of expenses.

If other parts of the state were similarly separated and tasked not only with communal [Notice 443] but also purely state purposes, and if one did not limit oneself to the most prosperous parts, the results could possibly be even more unfavorable than those experienced by the colonies, particularly St. Croix. Under the current circumstances, the idea of abandoning the arrangement introduced by the Colonial Law of 1863 and reverting to the Colonial Law of 1852 necessarily presents itself, and based on my observations, its implementation would likely receive considerable sympathy on St. Croix. Statements made in the Island's Colonial Council also suggest this.

Since the intention behind granting the colonies a level of independence, as provided by the Colonial Law of 1863, was undoubtedly meant as a benevolent act toward them, but by no means to relieve the state in general of a burden, it would probably be consistent with the original idea to revoke the existing arrangement and return to the previous state, if it is acknowledged that the intended goal has not been achieved.

However, I believe that it is still too early to take such a step, the implementation of which should hardly occur at a time when people's minds are burdened by the unfavorable conditions of the past years and further disturbed by the unfortunate events of the last year. Instead, I would recommend limiting assistance to the island to a temporary measure. This assistance can be appropriately provided in the form of a conditionally granted aid from the state treasury. The condition would be that the island's representation adopts the necessary laws for a personal tax and a rum tax in accordance with the aforementioned remarks. The state treasury would cover the accounting deficit for a period of 3 years, with the understanding that the granted amounts would be repaid by the island through an annual deposit of half of any surplus to the state treasury after the expiration of this period, without the payment of interest. It is understood that the island's representation could not approve an increase in expenses beyond what is considered appropriate for the future without the consent of the general appropriation authority.

The Commission's other members, Schlegel and Tvermoes, can, to some extent, agree with what Levy has proposed above. We also believe that the means to restore the island of St. Croix should be sought through both assistance from the mother country and self-help from the island itself by introducing new taxes. However, we have not been able to recognize that Levy's proposed measure, where the kingdom assumes, under certain conditions regarding the extent and size of various expenses, the responsibility to cover the difference between the island's revenue and expenditure for 3 years, represents a real solution to the task. Furthermore, we cannot fully recommend the introduction of new taxes with certain reservations.

Regarding the first point, the matter is simply that a demand is being made of the St. Croix municipality to introduce a series of improvements in various areas, which would entail considerable expenses that would further increase [Notice 444] the municipality's current deficit. At the same time, it is promised to cover this deficit for the very limited period of 3 years. If there were any likelihood that St. Croix's situation would be significantly improved after this period, one could perhaps find comfort in such an arrangement, except for the fact that colonial independence would become rather illusory due to the

categorical conditions imposed during these years. However, we see no indication that the fulfillment of such an expectation is highly unlikely and, in any case, extremely uncertain. It is possible, of course, that a series of good harvests could replace the poor ones experienced in recent years, but it is equally possible that this will not happen. It is also conceivable that the sugar market conditions, in terms of prices, could improve, but there is no guarantee that the opposite could not occur. The Commission has appropriately taken into account an average harvest in its calculations, so anything obtained beyond that can be considered incidental. It may even be doubted whether, after the introduction of free labor conditions, the existing resources can support property cultivation to the extent that is currently the case and thus yield such a significant average output.

Therefore, we believe that the likely result will be that in 3 years, when the assistance from the mother country ceases, the financial situation will remain approximately the same as it is now, with the addition of some additional expenses that the St. Croix municipality has undertaken to obtain this temporary assistance from the mother country, thereby further increasing the deficit. In all likelihood, if the colony is not to perish, there will be no choice but to renew the mother country's obligation, so the solution proposed by Levy only serves as a postponement of the question for which, in our opinion, a more satisfactory answer was demanded in the letter from the Ministry of Finance dated January 3rd of this year, at least for a longer period.

Regarding the second point, creating new sources of revenue through increased taxes, we do indeed believe, as mentioned earlier, that attempts in this direction should be made, but we also believe that the current circumstances in St. Croix require caution in this regard. It should not be overlooked that we are dealing here with a population that has suffered significantly under an abnormal situation caused by five consecutive dry years, during which the majority of landowners have incurred debt. Then, when a good harvest was finally achieved to alleviate their previous poverty, their hopes in this regard were greatly reduced by a sudden rebellion that destroyed properties and specifically the works that determined the timely harvesting, necessitating new and considerable loans at high interest rates, which the harvest is expected to repay in advance.

It should also be noted that the expected yield of this harvest has [Notice 445] significantly diminished, not only due to its late arrival but especially due to the extremely unfavorable circumstances regarding the price of the product. Furthermore, when one finally adds to this the likelihood that this population will undergo a complete transformation of all labor conditions in the near future, the consequences of which are certainly impossible to overlook but will surely not reduce the expenses of operating the properties, an additional tax burden at such a time may indeed have its concerns. Additionally, there is a factor that, at least at this moment, cannot be disregarded, namely the still unresolved question of whether the communal sugar refinery will prove to meet the expectations held for it. We certainly have the best hopes in this regard, but last year's experience must at least hint at the possibility of a similar disappointment this year, which could easily equate to the failure of the endeavor. The regrettable and possibly far-reaching consequences such an outcome would have for the island's development and likely for its existence as a sugar-producing island have already been emphasized in the preceding text, and under the circumstances as they currently stand, any calculation regarding the impact of a new tax burden, which would largely be tied to production, can only be very uncertain.

However, on the other hand, it is our firm belief that as soon as the conditions have stabilized to the extent that one can both oversee the consequences of the impending changes in labor conditions and form a reliable picture of the island's likely future, especially with regard to its cultivation, greater emphasis should be placed on its tax capacity than has been the case in the past. A reasonably reliable overview of the relevant circumstances will likely not be available before April 1, 1881, assuming that the labor regulations are lifted on October 1 of this year, and it is only at this time that we believe further demands should be placed on taxpayers in addition to those currently imposed on them, while also sharing the view expressed above regarding the manner in which this taxation should be implemented.

Therefore, it is our opinion that the Colonial Act should be amended in such a way that the mother country assumes the payment of the deficit amounting to approximately \$50,000 as determined by the Commission, when the island's affairs are properly arranged, under some form or another. Subsequently, if there are surpluses resulting from potentially favorable circumstances or the possible establishment of new taxes, one should seek a refund of a significant portion of this expenditure, deemed appropriate considering the island's specific circumstances, through the entitlement reserved by the Colonial Act for the legislative authority of the kingdom to determine the contribution of the West Indian islands to the general needs of the state.

If one then poses the question of how the support from the mother country could be provided in the most sensible manner, or in other words, at which point in the island's budget the attention should primarily be focused when it comes to the mother country stepping in to provide support, it appears [Notice 446] to us that the idea naturally leads to an institution that is currently plagued by significant deficiencies. We are referring here to the military force on the island, whose entire recruitment process for officers is highly unfortunate. As the situation currently stands, as is known, the officer corps in the West Indian military force is provided through second lieutenants from the mother country's army, who, if they prove to be somewhat useful and are willing, gradually advance to higher ranks where they remain as long as they are in any way fit for service, as the burden of pensions under the present economic conditions raises serious concerns about their dismissal. However, this method does not generally yield good personnel.

Living in a warm climate for an extended period of time often has a dulling and enervating effect, even on officers whose activities are highly limited and monotonous. Naturally, they are also frequently affected by the conditions under which they live in the colony. As indicated in the Commission's letter to the Ministry of Finance on February 12th of this year, it is crucial to have strong and resolute men leading the small military force, so that it can act with the necessary security, strength, and foresight in serious situations. The situation is even more unfortunate for non-commissioned officers, who are exclusively recruited from the ranks of the enlisted personnel in the military force. It can generally be assumed that those who enlist for this service do not belong to the better part of the conscripted personnel, but rather consist of individuals who have not been able to find their place at home or have suffered setbacks in their expectations and plans. It is very difficult to train capable non-commissioned officers from such a group, especially since they usually lack any formal education in that regard, which can only be provided to them in a highly imperfect manner within the military force. Additionally, they



also end up serving as superiors to their former peers for an extended period of time. These circumstances can only weaken the population's trust in the protection of life and property that can be expected from the military force, which is a crucial factor in a situation where an uncivilized and therefore unpredictable labor population has such a significant numerical advantage over the property-owning part of the population on St. Croix.

We - and in this regard, we know that we are in agreement with the third member of the Commission - therefore consider it very fortunate if a change in these conditions could occur, which would most naturally happen if the West Indian military force did not exist as a separate, isolated entity, but instead was brought into closer connection with the motherland's army. In this way, while maintaining voluntarism as the basis for recruiting personnel, the force would be supplied with capable leaders specifically suited for such service, who would temporarily serve in the military force and then return to their positions in the army. With the motherland assuming the military expenses in St. Croix, such a change in the current situation could be naturally achieved. In addition to achieving a balance between [Notice 447] the island's income and expenses in the near future, this would also significantly increase the security against disturbances, which is of great importance for the development of entrepreneurial spirit and, in general, for all conditions that determine prosperity.

We have not been blind to the fact that the consequence of this step would be the same measure for St. Thomas, as the West Indian military force must naturally constitute a unity. However, the same conditions, although to a lesser extent, apply to this island as well. Nevertheless, we do not consider this consequence to have any decisive significance. It is true that the municipality of St. Thomas has experienced a decline in prosperity in recent years, with a significant decrease in income as the city no longer occupies the dominant position it once had as the central hub of trade in the West Indies, while expenses have increased significantly due to commendable efforts to spread education among all classes of society through a well-organized school system. In this circumstance, which has resulted in a deficit of approximately \$5,000 for the past year, there is indeed a possibility that the contribution to general state needs for this island in the future may be set somewhat lower than before. However, in determining the size of this contribution, the legislative power of the kingdom always has a means to reduce or potentially diminish the expenses of the military force on the island as much as possible. Additionally, the supervision and influence over legislative work exercised by the government regarding West Indian affairs in general provide sufficient guarantee that any surplus will not be used for measures beyond what is absolutely necessary for the islands' welfare.

In accordance with what has been outlined above, we permit ourselves to express the opinion that a resolution of the present question, which is both reassuring for the future of the islands and considers the best interests of the treasury, can be achieved through the following provisions:

1. The treasury assumes the expenses of the necessary military force on the West Indian islands.
2. From April 1, 1881, an income tax (wealth and property tax) and a rum tax, in accordance with the previously stated proposals, are introduced in St. Croix.

3. In determining each of the general state needs, every possible consideration is taken into account regarding the immediate financial status of the mentioned municipalities, so that the burden imposed on the treasury by assuming [Notice 448] the military expenses is as minimal as feasible.

F. Schlegel / Levy / Tvermoes / Løvenørn<sup>7</sup>

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<sup>7</sup> Poul Ludvig Ernst de Løvenørn (1839 - 1922) was a Danish diplomat. During his tenure, he held some special positions, including being the secretary for the government commission sent to the West Indies in 1879