Intertwined vines: Homophily among French Huguenots in eighteenth-century Cape Colony

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Abstract

Homophily refers to the observation in networks that more connections are formed between nodes who share a similar background characteristic. While empirical evidence of homophily exists in marriage patterns, friendships, and human capital investment, I investigate another economic aspect where homophily is present – financial transactions. Specifically, whether trading on credit was more prominent among settlers who shared the same European nationality when settling at the Cape Colony during the eighteenth century. There are three main European nationalities that settled here: Dutch, French, and German. The historiography of the Cape Colony suggests that cultural assimilation between these different cultures happened rapidly and that homophily should not be significant. However, there is strong evidence of homophily in trading throughout the entire seventeenth century. I explore three possible reasons for this homophily: wealth and trading with family. While wealth shows virtually correlation with homophily, familial trading increases at the same time as the overall levels of homophily increase at the Cape. This paper has three important contributions. First, socio-economic institutions change slower than expected, even when cultural assimilation takes pace. Second, this network effect matters even also in financial markets and can overcome asymmetric information. And, third, a common background is a stronger predictor of financial interaction than surpasses wealth and geography in pre-industrial societies.

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Introduction

In preindustrial societies, credit connected individuals throughout society. These credit markets can solve problems of resource allocation (Muldrew 1998; Ogilvie et al. 2012); enable trade over long distances (Hoffman et al. 2000; Hoffman et al. 2019; Greif 1993); allow for consumption smoothing in agricultural sectors (Holderness 1976); or enable trade in cash scarce societies (Holderness 1976; Schofield and Lambrecht 2009). The allocation of resources through credit in these preindustrial societies can happen with or without intermediaries, most notably notaries. More recently, studies have also shown that societies can have different outcomes with similar actors involved in the market. For example, Dutch notaries were not directly involved in the market, but only registered debt contracts (van Bochove and Kole 2014), while French notaries were central to the credit market and actively participated in it (Hoffman et al. 2000).

Another consideration with the allocation of resources through the credit market is asymmetric information. Asymmetric information refers to a situation where either party involved in the transaction has more information than the other. In modern banking sectors, this asymmetric information is solved by either collateral or interest rates (Stiglitz and Weiss 1992). This is problematic in pre-industrial societies because of usuary laws that capped the use of interest rates, and the lack of collateral would have excluded many others. Recent studies have indicated that peer-to-peer lending through strong social bonds can be an effective way to solve asymmetric information (Dermineur 2019; Lamoreaux et al. 2003).

What is less clear the study of peer-to-peer lending is how the characteristics of individuals influence the outcome of the transactions. The observation that individuals tend to interact with others who share a similar characteristic is well known (Speake, 2008:58). In network and graph theory, this is referred to as homophily. Homophily is observed in networks when more ties are formed between nodes (or individuals) with similar characteristics than what would be predicted in random networks. Empirical evidence of homophily exists in both friendships (Fryer, 2007) and marriage trends (Schrum et al., 1998).

Centola et al. (2007) pose three major reasons for the observation of homophily in social structures: similar beliefs, similar culture and induced homophily, such as geography. Ruef et al. (2003) posit that trust, attraction and understanding are other aspects that influence individuals' decision to connect with others. This will have an impact on the transactions observed in preindustrial societies. For example, a case where strong homophily is observed by beliefs can be found in Botticini (2009). She shows how Jewish lenders formed a strong community in medieval Italy and were able circumvent usuary laws and include "outsiders" to the credit market. Trust is also an important aspect of credit relations and Lamoreaux et al. (2003) discuss how repeated interaction between individuals and businesses in the early US created trust and growth. Zuijderduin (2009) also show how peer pressure in the Low Countries ensured repayment of debts.

These case studies suggest that homophily plays a role in the outcomes of financial markets. What is less clear is how much homophily occurs in early preindustrial societies. I propose to study one such society here – the Cape Colony, and specifically the French Huguenots who settled in the region. I propose to use the backgrounds of the settlers at the Cape Colony and the information on credit transactions from probate records to study how much homophily existed in the market during this early period. The French Huguenots were a group of Protestants in France during the sixteenth century. The persecution of them started around 1530, continued during the Wars of Religion (1562-1598) and peaked with the St. Bartholomew's Day massacre of 1572. The Edict of Nantes and later the Peace of Alès, ensured relative freedom of religion and peace between Protestants and Catholic for much of the start of the seventeenth century. However, in 1685, Louis XIV revoked the Edict of Nantes and Protestantism was once again illegal in France, shutting down schools and churches. The king assumed that only those in trouble with creditors, or without property or specials skills would leave. However, France saw a mass exodus of Protestants in the seventeenth century with as many as 200,000 Protestants leaving France (Scoville 1960; Hornung 2014). Hornung (2014) links this exodus of French Huguenots with long-term economic development in the regions where they settled due to their special skills and human capital.

The French Huguenots at the Cape Colony interacted with the two other prominent groups that settled in the region – Dutch and German settlers. The permanent settlement of the Cape Colony started with the release of seven employees in 1659 of the Dutch East Indies Company (hereafter the Company), seven years after their first arrival at the Cape. The first settlers of the Cape were mainly of Dutch and German descent, and while the Company attracted employees from all over Europe and Scandinavia, only Dutch and German employees were considered for permanent settlement in the region (Moodie, 1960). Shell (2005) suggests that the Cape Colony saw as many as 4,000 German settlers arrive during the eighteenth century.

These distinct groups, as well as the wide-spread and enmeshed credit market can offer new insight into credit markets and homophily.

In the next section, I will expand on the history of the Cape Colony and the groups which settled there. This includes a wider discussion on the Cape's credit market. I then propose a measure of homophily in this network and how I use the probate records to identify backgrounds of individuals involved in peer-to-peer transactions. I provide evidence of homophily in these transactions throughout the eighteenth century. To further understand and investigate the high levels of homophily in credit transactions at the Cape, I investigate whether this can be explained through wealth, or kinship. I compare the homophily of the French Huguenots at the Cape to two other regions – London and South Carolina. These regions were chosen due to different descriptions of their integration after settlement. The three regions show different trends of homophily and different levels of the French Huguenots.

The Cape Colony's population groups and credit market

The Cape Colony is situated at the southern tip of Africa and was first settled by the Dutch through the Dutch East Indies Company (hereafter, the Company) in 1652. Before the arrival of the European settlers, the area was inhabited by the hunter-gatherer society of the Khoi and San people. The Company expected to trade with the Khoi for fresh produce, especially cattle, to supply passing ships to India. However, the lack of supply of cattle and fresh produce induced the Company to create a permanent settlement seven years after their first arrival.

The settlement expanding both north- and eastward during the seventeenth and eighteenth centuries. Cilliers and Fourie (2012) show the expansion of the European population during these centuries. They conclude that by the end of the eighteenth century there were around 10,000 European settlers in the region. The settlers came mainly to the Cape via the Company and were of Dutch and German descent (Moodie 1960; Shell 2005). However, during the early seventeenth century, a separate group of French Huguenots arrived at the Cape Colony as well.

During these early years of settlement, the Dutch and German settlers are often contrasted with the French settlers. The official policy of the Company was to ensure rapid integration of the French Huguenots with the Dutch and German settlers by spreading their farms throughout those of the Dutch. This policy is often referred to as "forced integration" of the French Huguenots. Despite these official measures taken, Whiting-Spilhaus (1949) writes that the French wanted to remain a separate and distinct group, by keeping their language and by complaining about not being allowed to have religious ceremonies in French. This is despite the shared Protestant faith between the settlers. De Kiewiet (1941) concludes that these efforts were in vain and that the two groups were indistinguishable after two generations, or less. He also argues that the cultural differences between the German and Dutch were negligible at the Cape. Fourie and von Fintel (2014) argue that the French Huguenots were able to use their wine-making skills brought with them from France to become economically successful and influential in the Cape Colony.

It was, however, not only the French Huguenots who became economically independent at the Cape. Guelke and Shell (1983) describe a group of 'landed gentry' at the Cape. They are described as wealthy individuals with numerous farms and slaves registered to them. They were often also socially and economically mobile, and consolidated wealth over generations through marriage (Guelke and Shell 1983; Groenewald 2009). Schoeman (2011) suggest that it was the networks between the members of the gentry that allowed the economic mobility of the members and that it created a mutual dependence between the rich and poor. The gentry were often linked to high volumes of credit and debt at the Cape, with Guelke and Shell (1985) describing Johannes Kruijwagen as the main creditor in the market and Dooling (2005:13) concludes that "the extension of credit was closely tied to the dominance of the gentry over Cape economy and society."

However, what these studies fail to take in account is large portions of the population. Williams (2013: 108) argues that "…[a] focus on the wealthiest landowners in the Cape and Stellenbosch districts leaves out of the picture Drakenstein, where most of the farmers lived and where more wine was produced than either of the two other wine-producing areas." Fourie (2013) also demonstrate that the wealth levels in the Colony were remarkable high and comparable to regions in Europe. This came with high levels inequality among settlers as well (Fourie and von Fintel 2011). The focus on the gentry also excludes other prominent groups that developed throughout the century like the alcohol *pachters*, or urban merchants, as described in Groenewald (2007).

This wealth came with a diverse and widespread credit market. Fourie and Swanepoel (2018) illustrates the comparative nature of the credit market at the Cape. They suggest, despite concerns from contemporaries and historians, the wealthiest at the Cape were the most involved in the Cape's credit market. They further illustrate that the settlers at the Cape borrowed mostly for productive reasons, like land and slaves, and not consumption, like food and clothing. This market was also embedded in the settlers' networks. Dooling (2005) examines how settler families at the Cape used marriage and kinship networks to keep farms from being seized by creditors, while Groenewald (2009) draws the marriage networks between the landed gentry. He (2011) also argues that these networks extended further than marriage to friendships, like the friendship between Martin Melck and Dirk, Gijsbert and Sebastiaan van Reenen.

This widespread use of credit and the distinct groups that were involved in the market makes the Cape Colony an ideal situation to study homophily's role in credit markets. First, trading on credit with others require a specific element of trust (Muldrew, 2012) and trust is a key determinant in homophily (Ruef et al. 2003). Therefore, the following question is posed here: Is homophily, based on European background, observed in credit transactions during the eighteenth century and how does it change over time? A second question that follows is whether this can be explained by the landed gentry hypothesis or kinship networks?

While the Cape Colony offers interesting insights into homophily and credit transactions, it is also worth comparing the outcomes to other regions where other policies were in place. I do this after the discussion of the Cape Colony's homophily. I compare the Cape Colony to England and South Carolina. In England, Littleton (2003) describes the French Huguenots as increasingly comfortable in English society after settlement, but that they continued to pay homage to their continental lifestyle. He argues that was crucial for the refugees' adaption into other regions. Parker (2013) supports this conclusion by showing distinct differences in French probates relative to English probate in London. In South Carolina, Butler (1983) contends that they became indistinguishable from the other settlers except for their surnames. Roth (1989) argues that the French Huguenots who settled in South Carolina did not disappear as a separate group, but rather adopted behaviours from other settlers in the regions. In the final section of this paper, I explore how these different policies affected the levels of homophily in the regions.

Measuring homophily in credit transactions at the Cape

To measure the homophily in credit transactions at the Cape, I use two different sources: first, the probate records and the genealogical records of the settlers at the Cape. The probate records were captured by the Orphan Chamber of the Cape Colony, known as the MOOC8 series in the Western Cape Archives and Records Services (WCARS). The records stretch from 1685 to 1834 when the records were taken over by private companies and compiled with wills and testaments. This series lists all the assets, credits, and debts of members of Cape households after death. The Orphan Chamber in other region like the Netherlands were responsible for the financial and legal outcomes of children (Schnitzeler, 2022). At the Cape, the Orphan Chamber was responsible for the estates of households with children younger than 25, those with no last will and testament, or those where heirs were overseas or absent. I supplement this data with the South African Families Register (SAF). The South African Family Registers provides additional information on the genelogical record of the settlers (Cilliers 2016). These genealogical records enable the settlers in the probate records to be traced back to their European origins through their surnames.

The main concern with the use of probate records to investigate credit markets is the representativeness. This concern is three-fold: which debts are excluded, are many debts repaid before death and are those without assets excluded? These concerns are mitigated if the role of the Orphan Chamber at the Cape is considered. A second role for the Orphan Chamber in the Cape Colony was to administer the probates of individuals who died without wills. It also controlled any assets of estates where minor and young children were involved or of estates where the heirs were absent from the Colony (see below for a further discussion). For example, the Orphan Chamber's role in taking probate inventories was wider than in Europe, as it included the task of locating any heir(s) that were absent from the Cape. In the Cape probates, there are various probates with very few assets and others with a large expansive record of assets.

The second concern about the repayment of debts is more difficult to address. However, the extensive number of transactions observed in the probate inventories suggests that at least some remained and were not repaid before death. Further, this means the results below should be considered a lower bound rather than a complete or upper bound estimate of the transactions at the Cape. Finally, with regard to the representativeness of assets and wealth, there are two ways to address the concern: either compare the probates to other series or to investigate who are included in the probates. Fourie (2013) concludes that the Orphan Chamber inventories were more representative of the population and that the Stellenbosch inventories included more gentry. He concludes that the probate inventories are not as biased as expected and capture many wealthy individuals as well. Given that the probate records are concerned with assets, there is the further concern that the poor are excluded. But this does not seem to be the case with the probates of the Cape Colony either. The Orphan Chamber was extensively involved in the lives of the poor and there are inventories of individuals with only clothes listed. There are also a select few inventories of freed slaves with few assets.

Before I discuss how I measure homophily in the probate records, a note on the currency used. I follow Fourie and Swanepoel (2018) in the conversion of exchange rates. There were various specie circulating in the Cape Colony at the time. The two most common for the eighteenth century were the Dutch rijksdaalder (rds) and gulden. It is possible to convert these currencies to grams of silver which is useful for comparison to other countries. Further, while it is possible to adjust for inflation, I follow Du Plessis and Du Plessis (2012) and Fourie and Swanepoel (2018) who discuss that prices at the Cape during this time were stagnant or deflating and use nominal values. Despite this, the results remain similar and there are no significant differences between the nominal and real values. I also divide the time period in 25-year periods to investigate different periods of time.

Homophily is observed in a network if there are more observations for a certain group than what would be predicted in a random network. To measure homophily in the Cape's credit network, I rely on the surnames of the settlers. To identify which group an individual belonged to, surnames were first standardised in terms of spelling and then traced back to their origin in Europe through the SAF. These surnames were then matched to the credit transactions in the probate inventories. The transactions are then classified as either with homophily or without. A transaction between someone with the French surname Du Plessis and someone with the French surname Du Preez would therefore be a French-French transaction, while a transaction between a Du Plessis and a De Beer would be a French-Dutch transaction, and so forth. A transaction between two individuals with the same surname was classified as a familial transaction. Although this latter strategy was not completely accurate, since two first arrivals with the same surname were not necessarily related, it was the simplest way to identify transactions within families.

If transactions occurred randomly between groups, network theory predicts that the proportion of transactions within the same group would be the same as their proportion to the population. So, if the Dutch constitute 28 percent of the population before 1700, and if transactions happened at random, 28 percent of transactions involving Dutch should be with other Dutch. However, a proportion higher than the proportion to the population would be an indication of homophily. These results are presented in Table 1 below. Homophily is therefore present if the difference is negative. Throughout the period, there is evidence of homophily in all three groups, i.e. the actual proportion of transactions between the groups are higher than the expected proportion. The Dutch group moves from a negative of 4.95 percent in period one to a maximum of 24.17 percent in period four and 17.22 percent in the final period. The German group moves from 10.81 percent in the first period to 17.18 percent in the final period and the

French group from 25.68 percent in the first period to 15.55 percent in the final period. A summary of this is presented in Table 1, while Figure 1 shows the whole network for period 4 (between 1750 and 1774), and the separate European origin groups' networks. Figure 2 shows the levels of homophily among the groups throughout the period.

Table 1: Expected and observed number of transactions by origin groups

		Before 1700	1700-1724	1725-1749	1750-1774	1775-1800	1800-1824
Dutch	Expected	28.38	15.08	20.77	26.68	19.90	33.42
	Actual	33.33	20.00	33.33	50.85	47.86	50.64
	Difference	-4.95	-4.92	-12.56	-24.17	-27.93	-17.22
German	Expected	39.19	19.05	21.92	34.24	36.96	37.10
	Actual	50.00	40.00	40.00	42.55	42.21	54.28
	Difference	-10.81	-20.95	-18.08	-8.31	-5.25	-17.18
French	Expected	24.32	65.08	55.77	38.03	42.40	27.55
	Actual	50.00	86.84	64.47	57.32	68.82	43.10
	Difference	-25.68	-21.76	-8.70	-19.29	-26.42	-15.55

Homophily was clearly present at the Cape in terms of European background and trading on credit. The observed number of transactions between groups was consistently higher than the expected number of transactions for the groups. Figure 2 presents the differences for the various periods with a fitted polynomial (to the second degree) line. The groups who experienced less homophily over time and therefore integrated into the other groups are the French and German surnames, but the German trend was much stronger than the French. The German surnames had an initial increase in homophily, followed by a long period of deteriorating homophily, before it increased slightly. The French initially experiences less homophily, but this quickly returns to the initial high levels of homophily. The Dutch experienced more homophily throughout the period, with slightly less homophily toward the end of the period. At the start of the nineteenth century, the groups were at the same level of 15-17 percent more transactions within the group than expected under random networks.

Figure 1: Network of credit transactions in the Cape Colony, with transactions between groups

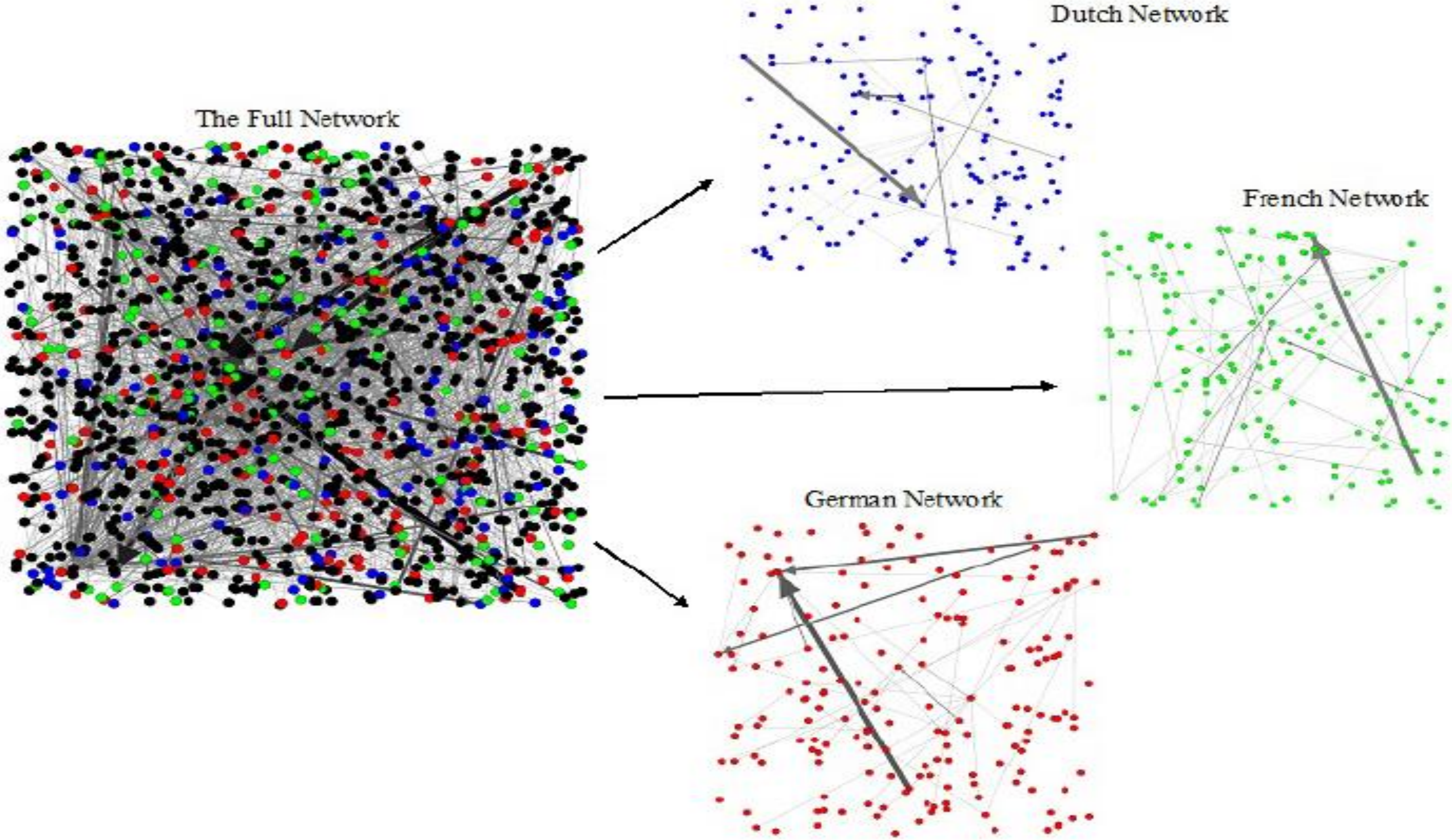
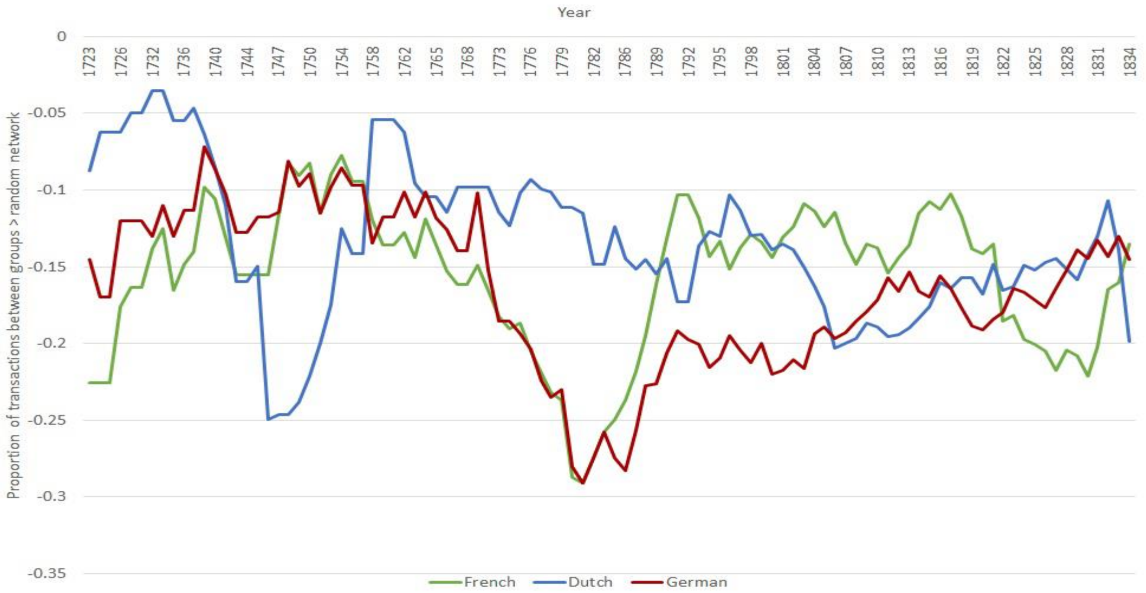


Figure 2: Homophily in trading over time at the Cape Colony

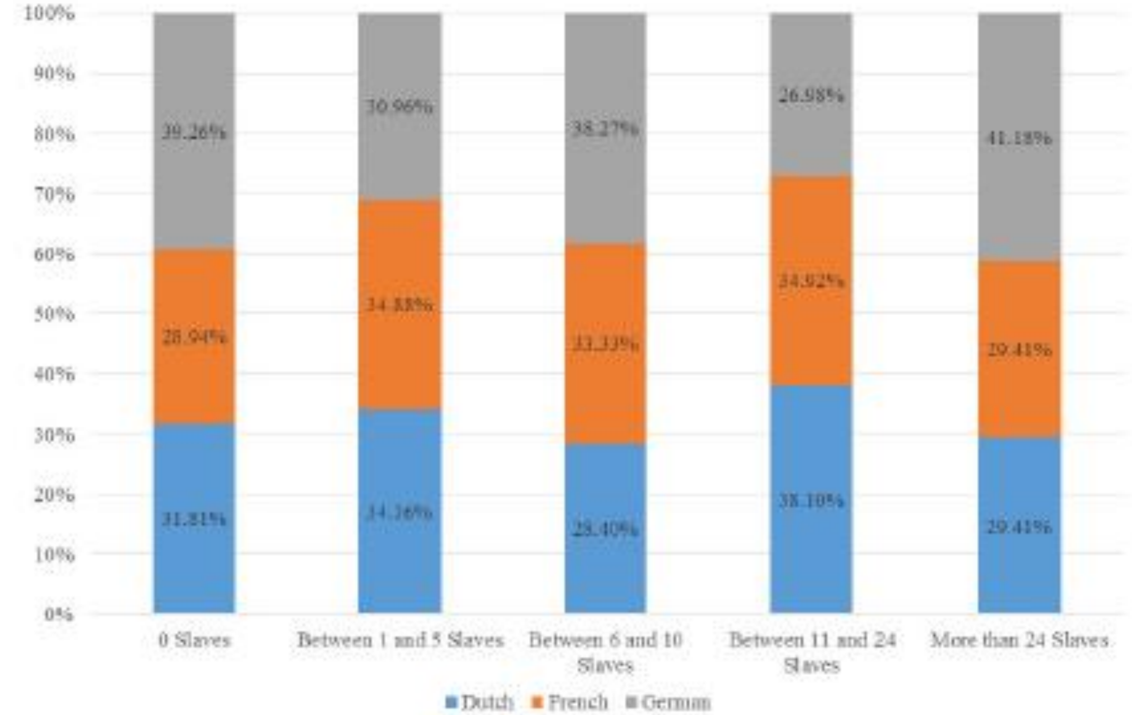


To determine when the cultures moved toward each other, I calculated the turning points for the various groups' homophily from Table 1 and Figure 2. The Dutch turning point was only in the final period, while the French and German turning points were close to each other in the fourth period (the mid-eighteenth century). This suggests that initially the French and German surnames experienced less homophily but turned and experienced more homophily in the second half of the eighteenth century. Although this should not be taken as evidence against the observed cultural assimilation, it is evident that trading was at least reserved for those with the same background, as can be seen through the high levels of homophily trends throughout the eighteenth century (the measurement never becomes zero). This suggests the groups remained distinct when it came to credit transactions. Settlers tended to trade with others who shared their European nationality, rather than with groups from a different nationality. This is further support for studies like Fourie and von Fintel (2014), who found the French protected their skills, and showed divergent levels of productivity between Huguenots and Dutch winemakers. It also supports historians like Whiting-Spilhaus (1949) who stated that the French "wanted to be together".

If it is assumed that the final levels are the steady state, this raises questions on what will happen if another group is introduced. In 1820, the Cape Colony experienced another influx of immigrants, this time from Britain. This came after the British government took control of the Cape for the second time in 1806 and promoted immigration to the eastern frontier. Tensions between the British and Dutch settlers (given German and French assimilation) are notorious, and even cited as a reason for the Dutch migration toward the north of the country in the 1830s. This is beyond the scope of this study, but it adds another dimension to the study of homophily and how social networks evolve over time.

The evidence that trading on credit continued to occur between settlers of the same European nationality can be explained by two factors - wealth and family trading. Wealth has been shown throughout this dissertation as an important determinant of credit and debt at the Cape. The Huguenots became wealthy and influential through their wine-making skills (Fourie and von Fintel 2014) and many of the "gentry", like Hendrik Oostwald Eksteen, and *pachters*, like Martin Melck, were of German descent. In this selection of probate inventories, however, there were no significant differences in the wealth of individuals, measured by the number of slaves owned. Figure 3 shows the proportions of origin groups by each of the slave wealth groups.

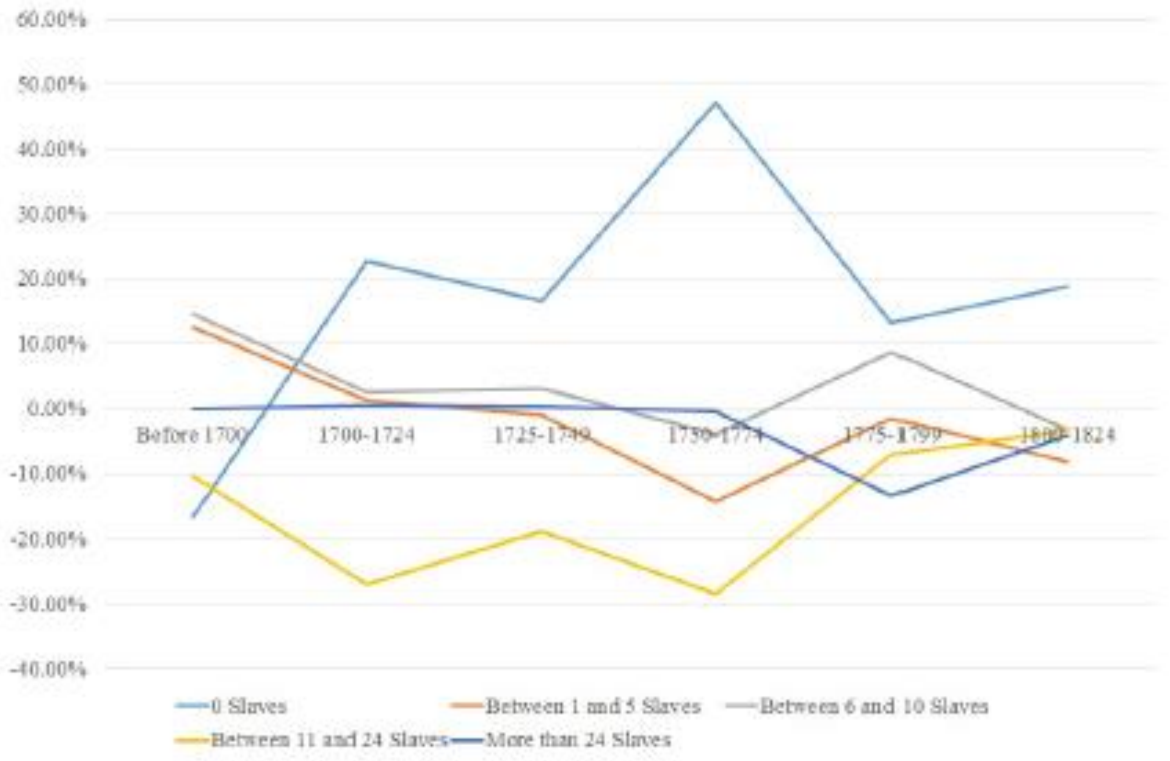
Figure 3: Proportion of each European group in the respective slave ownership groups



To test whether the homophily explained in the previous section is related to wealth homophily, I present the levels of homophily for these groups in Figure 4. Only weak homophily existed for the wealth groups at the Cape. Three of the five groups showed between zero percent and ten percent trading within the same group while those with no slaves showed much more trading with the other groups. This was to be expected: the poorest borrowed from the wealthy in many societies. Guelke (1989:81-82), for example, states poor, small farmers “were tied to wealthier ones by debts” at the Cape. This is, however, evidence against Dooling (2007), who suggested the gentry dominated the market.

A second possibility is that my earlier results on homophily within European nationality may encompass family trading. During the earliest phase of Cape settlement, when the settler population would have been small and tenuous, most of the trading would have happened between settlers who share a common background. This would have been the case as long as new migrants arrived. However, in 1717, immigration to the Cape was actively discouraged by the Company. As families grew larger, it is likely that familial relationships replaced national origin. The Cape's population continued to grow due to high fertility. Within the three groups of interest here, the Dutch settlers experienced the lowest fertility (Cilliers 2016:49). However, even after 1717, I continued to observe new surnames and control for these when I considered the number of transactions within families. Figure 4.4 shows an example of trading within families in a social network context. A transaction was classified as within-family if the two parties involved had the same surname.

Figure 4: Homophily proportions within slave ownership groups at the Cape



To test whether increased trading within families can explain the pattern in homophily at the Cape, I used the total number of transactions for the different periods, the number of transactions classified as within a family and the number of surnames observed for each period. I calculated the proportion of within-family transactions as follows:

$$\%\, Within - family\ transactions = \frac{N\ of\ within\ family\ transactions}{N\ of\ transaction \times N\ of\ surnames\ in\ the\ period}$$

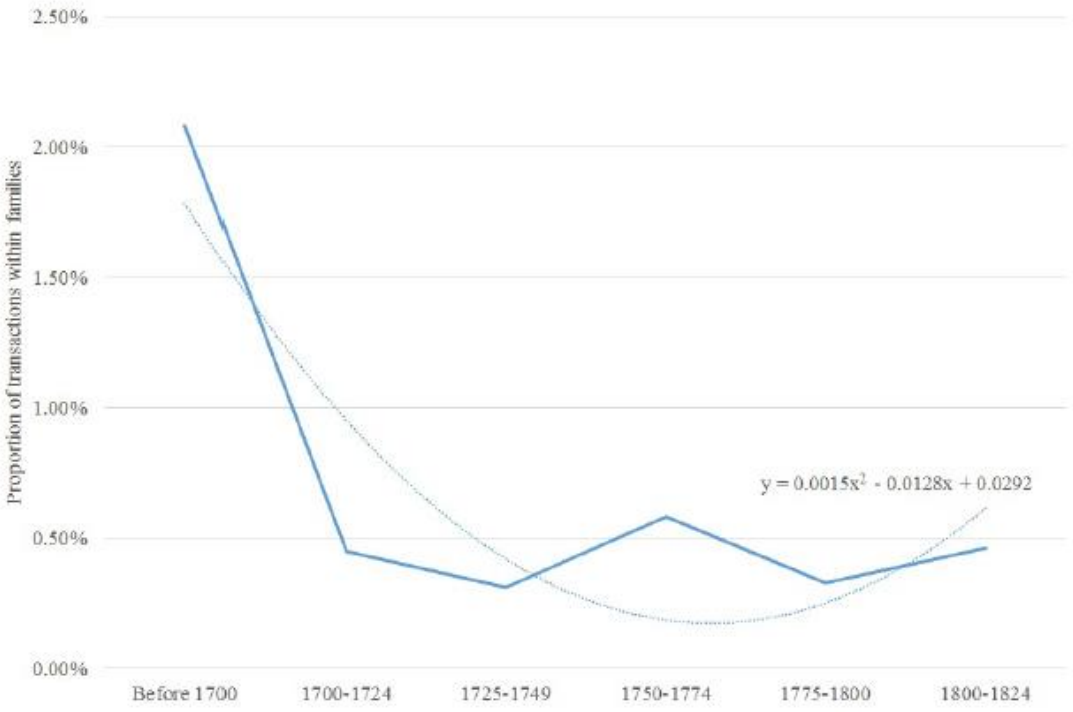
Table 2 shows the results from this formula, while Figure 5 shows these results with a fitted polynomial line. Figure 5 shows the same turning point in the middle of the eighteenth century as Figure 2, where the increased homophily among the three groups expanded in the previous period. This increased trading within-family was likely the result of larger and more settled families, which was also the cause of more homophily between the three European nationalities at the Cape.

Table 2: Expected and observed number of transactions by family groups

	Before 1700	1700-1724	1725-1749	1750-1774	1775-1800	1800-1824
Total number of transactions	323	994	1938	2154	4808	7518
Within-family transactions	14	20	42	101	195	601
Number of surnames	208	449	699	802	1205	1733
Proportion of within-family transactions	2.08%	0.45%	0.31%	0.58%	0.33%	0.46%

One area where this research now falls short is the influence of marriage on integration and homophily. Historians have suggested marriage was key to social mobility at the Cape and also for cultural assimilation (Botha, 1939; Nathan, 1939). It would be possible for future research to add information on marriages and business relations to the existing network data and re-estimate these results.

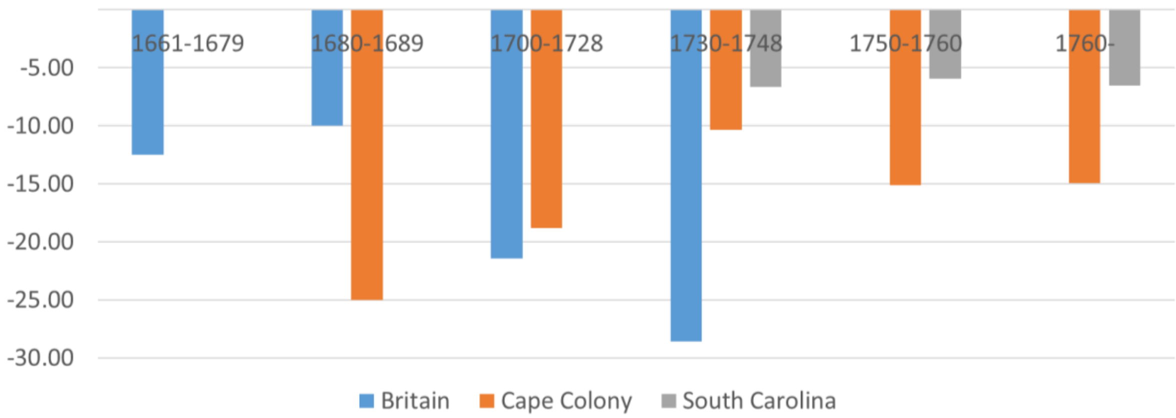
Figure 5: Proportion of credit transactions classified as within-family over the period



How does the Cape Colony's Huguenots compare with other regions

To compare the French Huguenots and the homophily in credit networks to other regions, I use data from Parker (2016) for London and Stumpf (1983) and Nash (1995) for South Carolina to compare the regions. Parker (2016) describes 92 probates of the French Huguenots who settled in London during the early modern period to those of English probates. From these probates, I am able to identify 311 individuals in credit transactions with 243 connections. Stumpf (1983) lists importers to South Carolina from which I identified 335 companies or individuals. I supplement Stumpf's data by linking these companies and individuals to Nash (2003). He identified various Huguenot merchants in the region at the time. From these connections, I then follow the same strategy to measure homophily in credit trading as I did with the Cape Colony probate records. Figure 6 below shows the levels of homophily in credit transactions for the three regions at different points in time.

Figure 6: Comparison of homophily levels in London, South Carolina and Cape Colony



The three different regions had three different strategies regarding the French Huguenots and their settlement, and three different outcomes. In London, there was no official policy, but some scholars have argued that despite their ease of adaption into English society, second generation refugees remained separated in terms of language, food and religious practices (Littleton 2003; Parker 2016). Figure 6 shows some evidence of this with increased homophily in credit trading after 1680.

As discussed in the other section, the Cape Colony had a policy of "forced integration" where their farms were distributed among the Dutch farms (De Kiewiet 1941; Whiting-Spilhaus 1949). This policy might not have been as successful as hoped, given the evidence presented here of high level of homophily throughout the period, after an initial decline. This is also supported by the evidence presented earlier that the high levels of homophily in credit transactions coincided with high levels of trading among families.

Finally, there was also no official policy to the settlement of the French Huguenots in the American colony of South Carolina. Some scholars here have suggested that here, the French Huguenots were indistinguishable from other settlers except for their surnames and that they adapted to the new circumstances relatively quickly (Roth 1989; Butler 1983). Here, we see evidence of this as well. The levels of homophily in credit transactions for South Carolina is low and stable for the period where data is available.

Conclusion

This chapter set out to test the implications of homophily in social networks for credit transactions. Homophily is the observation in social networks that nodes with the same characteristics tend to link together. Many modern empirical studies have shown evidence of homophily in different settings in social networks, like marriages or friendships. A limitation of modern data sets is the limited micro-level data available on the individual connections, but history offers rich information on such transactions. I used such a historical data set of the Cape Colony's probate inventories to test homophily over the eighteenth century.

I identified many of the groups described as important in the Cape's economy and credit network. These varied from different groups from Europe to distinct wealth or trading groups. Historical literature suggests that within the Cape there was rapid cultural assimilation between the three main cultures: Dutch, French, and German. Yet, in this credit network of the Cape's probate inventories, high and constant levels of trading within groups were observed. This suggests a level of trust was reserved for those with the same European background when it came to providing credit. As an explanation for this increased homophily and trading with those with the same background characteristics, I tested whether this can be explained by a similar pattern in wealth or by within-family trading. Wealth homophily showed little support and was almost non-existent at the Cape, while within-family trading first decreased and then increased at the same time as the increase in homophily was observed. I also compare the homophily levels to other regions in Britain and the US. The three regions had different policies in terms of the groups that settled in them but also had different outcomes in terms of the homophily observed in credit transactions.

The research also opens avenues for future research. For example, given the evidence of homophily and the changes over the century whare are the implications for the integration of cultures and what role did marriage play.

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