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The British Debate Concerning the Supply of Cotton During the American Civil War

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ABSTRACT

Some aspects of the development of the British cotton industry have been the subject of considerable scholarly attention from historians in recent decades, but the nature and development of the industry's supply of its raw material has received much less examination. In the early decades of the nineteenth century, the British cotton industry became heavily dependent for its raw material upon a single source: the United States. This led to a disastrous shortage of cotton during the American Civil War (1861-65). Yet some concerns over this near-exclusive reliance upon U.S. cotton had already been voiced in the years before the conflict. During the war, there was a lively national debate, involving leading newspapers, periodicals and Members of Parliament, over how the shortage of cotton could be overcome. Much of the debate centred on whether a *laissez faire* approach relying upon the law of supply and demand would resolve the difficulty. There was a notable desire to obtain cotton from British overseas possessions – particularly India – but with only limited success.

1. Introduction

In the early nineteenth century the British cotton industry, centred in Lancashire in the north-west of England, became heavily reliant upon the cotton grown in the U.S. South. Somewhere around three-quarters of the cotton spun in England during the nineteenth century came from this source. The cotton produced in

the United States was particularly suitable for the type of yarns spun by the British industry. The consequence was a heavy reliance upon just one source of cotton; as long as this source provided ample supplies, there were few difficulties. However, in mid-century the United States became the scene of a protracted civil war (1861-1865). The Confederacy embargoed the export of cotton, and then the ports of the southern states were blockaded by the Union forces. As a result, the supply of American cotton to Britain ceased almost entirely. The result was what became known as the "Lancashire cotton famine" – thousands of cotton workers were put on short time or dismissed as the Lancashire spinning mills cut back production. This hardship for the cotton workers was at its most severe in 1862.

Some aspects of the history of the British cotton industry have received considerable scholarly attention in recent decades. For instance, there has been an extensive debate on the spinning technology used by the mature industry: the "mules" versus "rings" debate, contested in the main between William Lazonick and Lars Sandberg.¹ Mechanization, invention and productivity change in the period 1700 to 1800 have been discussed and reappraised by Trevor Griffiths, Philip A. Hunt and Patrick K. O'Brien.² The actual cotton

¹ See for instance: Lars G. Sandberg, "American Rings and English Mules: The Role of Economic Rationality", in *Quarterly Journal of Economics*, 83, (1969), pp. 25-43. Id., *Lancashire in Decline: A Study in Entrepreneurship, Technology, and International Trade*, Columbus, Ohio, 1974. Id., "The Remembrance of Things Past: Rings and Mules Revisited", in *Quarterly Journal of Economics*, 99, 1984, pp. 387-92. William Lazonick, "Factor Costs and the Diffusion of Ring Spinning in Britain Prior to World War I", in *Quarterly Journal of Economics*, 96, 1981, pp. 89-109. Id., "Industrial Organisation and Technological Change: The Decline of the British Cotton Industry", in *Business History Review*, 57, 1983, pp. 195-236. Id., "Rings and Mules in Britain: Reply", in *Quarterly Journal of Economics*, 99, 1984, pp. 393-8. Id., "Stubborn Mules: Some Comments", in *Economic History Review*, second series, 40, 1987, pp. 80-86. Id. and William Mass, "The Performance of the British Cotton Industry, 1870-1913", in *Research in Economic History*, 9, 1984, pp. 1-44; Timothy Leunig, "New Answers to Old Questions: Explaining the Slow Adoption of Ring Spinning in Lancashire, 1880-1913", in *Journal of Economic History*, 61 2001, pp. 439-66. Gary R. Saxe-henhouse and Gavin Wright, "New Evidence on the Stubborn English Mule and the Cotton Industry, 1878-1920", in *Economic History Review*, 37, 2008, pp. 507-519.

² Trevor Griffiths, Philip A. Hunt and Patrick K. O'Brien, "Inventive Activity in the British Textile Industry, 1700-188", in *The Journal of Economic History*, 52, 1992, pp. 881-

mill buildings used by the industry have been studied in detail. For instance, there is Mike Williams and D. A. Farnie's encyclopaedic study of mills in the Manchester area,³ and the detailed case study of the company and mills of A. & G. Murray of Ancoats, Manchester.⁴ The motive power used by the cotton mills has received recent scholarly examination,⁵ as has the practically total collapse of the British cotton industry after 1945.⁶ However, little scholarly attention has been paid recently to the matter of Britain's sources and supply of raw cotton for the spinning industry. Recent general histories of the industrial revolution, when discussing the British cotton industry, pay little attention to the supply of raw cotton, the focus of the debates being on technological change.⁷

The importing, trading and market mechanism of the Liverpool cotton market (which supplied the British spinning industry with the great bulk of its raw cotton) have been explored extensively in recent years.⁸ Some work has been published examining the frantic and speculative trading activity in the Liverpool cotton market during the U.S. Civil War years due to the scarcity of cotton,⁹ but the wider national debate concerning how Britain was to be supplied with its raw cotton has received little attention. The Lancashire cot-

906; Id., "Scottish, Irish, and Imperial Connection: Parliament, the Three Kingdoms, and the Mechanization of Cotton Spinning in Eighteenth-Century Britain", in *The Economic History Review*, 61, pp. 625-650.

³ M. Williams, D.A. Farnie, *Cotton Mills in Greater Manchester*, Preston, 1992.

⁴ I. Miller, C. Wild et al., *A & G Murray and the Cotton Mills of Ancoats*, Lancaster, 2007.

⁵ See: R.L. Hills, *Power from Steam: A History of the Stationary Steam Engine*, Cambridge, 1989.

⁶ J. Singleton, *Lancashire on the Scrapheap: The Cotton Industry, 1945-1970*, Oxford, 1991.

⁷ See for instance: E. Griffin, *A Short History of the British Industrial Revolution*, Basingstoke, 2010, pp. 86-100.

⁸ See: N. Hall, "The Liverpool Cotton Market: Britain's First Futures market", in *Transactions of the Historic Society of Lancashire and Cheshire*, 149, 2000, pp. 99-118; Id., "The Emergence of the Liverpool Raw Cotton Market, 1800-1850", in *Northern History*, 38, 2001, pp. 65-81; Id., "The Business Interests of Liverpool's Cotton Brokers, c. 1800-1914", in *Northern History*, 41, 2004, pp. 339-355; Id., "The Governance of the Liverpool Raw Cotton Market, c. 1840-1914", in *Northern History*, 53, 2016, pp. 98-115; Id., "Liverpool's Cotton Importers c. 1700 to 1914", in *Northern History*, 54, 2017, pp. 79-93.

⁹ See N. Hall, "The Liverpool Cotton Market and the American Civil War", in *Northern History*, 34, 1998, pp. 149-169.

ton famine during the Civil War has been studied, most notably by W. O. Henderson and Norman Longmate.¹⁰ However, these studies have tended to examine the hardship in the spinning districts and the commercial aspects of the crisis. Little attention has been paid to the debate over the “cotton question” as played out in public at the time regarding how the shortage of cotton could be resolved. This article examines that public debate.

Particular use has been made of *The Times* and *The Economist* because both of these influential publications took a deep interest in the cotton question and devoted many column inches to the subject. Use has also been made of publications from the heart of the cotton industry in Lancashire, including the *Manchester Guardian*. Journals such as the *Edinburgh Review* and *Westminster Review* have also been employed, and reference has also been made to the debates in Parliament.

2. Periodic Concerns over the Supply of Cotton prior to the Civil War

It would be incorrect to maintain that no attention was paid to the question of the supply of cotton in Lancashire before the outbreak of the U.S. Civil War. In the decades preceding the conflict, concerns over the supply of cotton and Britain’s dependence upon the United States began to emerge. One surviving expression of concern dates to thirty years before the commencement of the war: W. O. Henderson cites a letter written to the President of the Board of Trade by a Liverpool merchant, in June 1828, that noted “the precarious situation of the cotton trade of this country from our too great dependence upon the United States for the supply of our raw material.”¹¹ In the mid-1830s some concern arose when supply began to fall behind use.

¹⁰ W.O. Henderson, “The Cotton Famine in Lancashire”, in *Transactions of the Historic Society of Lancashire and Cheshire*, 84, 1932, pp.37-62; Id., *The Lancashire Cotton Famine: 1861-1865*, 2nd ed., Manchester, 1969; N. Longmate, *The Hungry Mills*, London, 1978.

¹¹ Henderson, *Cotton Famine*, p. 35.

At the end of 1835, only 280,000 bales, or just fifteen weeks' worth of production, remained in stock in Britain. The price of "uplands"¹² (American) cotton had risen to 10-1/2d. per pound (the average price for the year 1829 had been 5-3/4d., with a stock at the close of that year of 409,300 bales). However, the higher price of cotton acted as a stimulus to production, supplies of cotton increased, and concerns waned.¹³ In 1838, a rise in the price of cotton again produced alarm regarding supplies of cotton.¹⁴ Smaller American crops in 1846-7 triggered renewed interest in the supply of cotton, as the production of the raw material again threatened to be outstripped by manufacturing volumes. John Bright secured the creation of a parliamentary select committee with reference to obtaining more cotton from India. The Manchester Chamber of Commerce (which was dominated by cotton interests) sent one Alexander Mackay to India to investigate cotton production. However, American supplies again increased and interest in the question faded.¹⁵ In the later 1850s the pattern was repeated once more as supplies seemed to lag behind production. A commentator on Indian affairs wrote in 1857: "with regard to cotton, there appears to be little doubt... that the American and European demand is already beyond the American supply, and that additional supplies from India are urgently required."¹⁶

The Lancashire cotton manufacturer Henry Ashworth stated in the following year:

"As a commercial question, it is a matter of indifference to the manufacturer or the consumer in what part of the world cotton may be grown; but in a national and economic point of view, the question of an adequate extent of growth is one of the utmost importance. It is desirable, if not absolutely necessary,

¹² One of the benchmark grades of cotton often mentioned in sources.

¹³ T. Ellison, *A Hand-Book of the Cotton Trade or, A Glance at the Past History, Present Condition, and Future Prospects of the Cotton Commerce of the World*, London, 1858, p. 67; Id., *The Cotton Trade of Great Britain*, London, 1886, pp. 89-90; appendix, table 1.

¹⁴ A.W. Silver, *Manchester Men and Indian Cotton: 1847-1872*, Manchester, 1966, p. 37.

¹⁵ Ellison, *Cotton Trade*, p. 90; Silver, *Manchester Men*, pp. 59-66.

¹⁶ Macleod Wylie, *The Commerce, Resources, and Prospects of India*, London, 1857, p. 86.

that our supplies should be drawn, not from one source alone, but from a variety of sources not only to secure greater regularity of supply, but as a provision against the inconvenience arising from scarcity and dearness, and possibly against other and still more serious disasters."¹⁷

A Liverpool commentator, also writing in 1858, commented that reliance upon one source was "a most suicidal policy."¹⁸ Public expressions of concern regarding reliance upon the United States and the consequent need to develop alternative sources of cotton continued until the very outbreak of the Civil War.¹⁹

One of the results of the supply situation which had developed by the later 1850s was the founding at Manchester in 1857 of the Cotton Supply Association. It sought to encourage new areas to grow cotton and paid particular attention to extending and improving the cultivation of cotton in India.²⁰ Several cotton growing companies were founded, some of which were associated with, or kept in close contact with, the Manchester Cotton Supply Association. These companies sought particularly to encourage the growth of cotton in British possessions, including the West Indies and again India. They included the British Cotton Growing Company (Manchester), the Manchester Cotton Company, the Jamaica Cotton Company (London) and the Coventry Cotton Company.²¹

It would not be correct to argue, therefore (as some did after the Civil War had begun) that no-one had considered the problem of the cotton supply in advance.²² The matter clearly had been discussed;

¹⁷ H. Ashworth, *Cotton: Its Cultivation, Manufacture, and Uses. A Paper read before the Society of Arts*, London, 10th March, 1858, Manchester, 1858, p. 27.

¹⁸ Ellison, *Handbook*, p. 33.

¹⁹ See for instance the report of a meeting held at Manchester in September 1860 in *The Times*, 18 Sep. 1860, p. 4; or the discussion of the issue in the *Quarterly Review*, Jan. 1860, pp. 83-4. See also *The Merchants' Magazine and Commercial Review*, 44, Jan. 1861, pp. 101-2; Mar. 1861, pp. 391-2; May 1861, pp. 548-558; June 1861, pp. 675-688.

²⁰ Silver, *Manchester Men*, pp. 85-8 and *passim*.

²¹ *The Merchants' Magazine and Commercial Review*, 45, July 1861, p. 100.

²² See for instance the remarks of Mr. Gregson in the House of Commons in 1862: *Parliamentary Debates (Commons)*, vol. 167, 19 June 1862, col. 792.

it was rather that little effective action had been taken. As mentioned above, as particular shortages passed, interest waned. Initiatives such as the Manchester Cotton Supply Association lacked the resources and time to remedy the situation, while the various cotton companies were too few and small to contribute more than a drop in the ocean of demand.

J.H. Turner of the Manchester Chamber of Commerce summed up what he perceived as the attitude of the majority of spinners thus:

“They have been, and are, so much accustomed to put themselves into the train and go down to Liverpool, or write to their brokers there, ‘I want so many hundred bales; buy for me of usual quality and to that extent,’ that they seem to think that all they want can of course be obtained there.”²³

3. The Shortage of Cotton during the Civil War: Blame and Accusation

When the war-provoked crisis fell upon the British industry, much time was spent in seeking to cast the blame for the cotton “famine.” In this, the Lancashire cotton manufacturers came in for particular criticism, not least from other members of that class. As the awareness that the American crisis could affect the supply of cotton began to dawn upon Lancashire in 1861 (and it was only in that year that it did), Edmund Potter, the President of the Manchester Chamber of Commerce, commented at a meeting of the Chamber in January 1861: “Our community might take some blame to themselves for now having to face that appalling prospect. (Hear, hear).”²⁴ J. Cheetham (President of the Manchester Cotton Supply Association), also speaking in January 1861, stated: “It did seem strange that a trading class pre-eminently distinguished for commercial intelligence should have been so quietly dependent on one source for the

²³ Quoted in Ellison, *Handbook*, p. 66.

²⁴ *The Times*, 22 Jan. 1861, p. 4.

supply of their raw material."²⁵ At the same meeting Thomas Bazley MP (Member of Parliament for Manchester and a member of the Cotton Supply Association) stated that "the trade ought to rouse and vindicate itself" and that:

"Three months ago there was held in that Town Hall [Manchester] for the purpose of promoting an enlarged supply of cotton by the means of some great organization, to encourage its growth, and bring it from new fields of cultivation to this market, so as to render us less dependent on one source of supply. He regretted exceedingly that the trade did not appreciate the propositions put forward on that occasion. The old plea was raised that the law of supply and demand should relieve us from difficulty."²⁶

Throughout the crisis Bazley continued his criticism of the manufacturers for failing to take action. In September 1862 "He wondered whether those gentlemen who had the spirit to construct so many new mills in Manchester and the district were aware what would be the sources of supply."²⁷

The wider community was quick to condemn the manufacturers. A letter to *The Times* in February 1861 stated:

"I would venture to suggest, for the consideration of those who are so immediately and deeply interested in the cotton trade, that instead of doing as they have done for years – calling upon the Government of India to aid them – the time has come for them to do something for themselves."²⁸

Another letter to *The Times* commented: "I do not understand the apathy and inactivity which prevail among those who are most nearly interested in the production of cotton."²⁹ Some commentators argued that the Lancashire spinners missed opportunities presented

²⁵ *Ibid.*, 23 Jan. 1861, p. 9.

²⁶ *Ibid.*

²⁷ *Ibid.*, 24 Sep. 1862, p. 7. See also: *The Merchants' Magazine*, 45, Oct. 1861, p. 379. *The Times*, 5 Nov. 1862, p. 6.

²⁸ *The Times*, 5 Feb. 1861, p. 4.

²⁹ *Ibid.*, 14 Sep. 1861, p. 7. See also the letter from "J. R. R." in *ibid.*, 3 Apr. 1863, p. 8.

years earlier to encourage new supplies and stave off the American dependence.³⁰ A long letter published in a Manchester newspaper in July 1862 stated: "The truth is, that Lancashire men have for years been merely 'dawdling' with the cotton question."³¹ It was argued, for instance, that if the Lancashire manufacturers had been willing to offer higher prices, or a guaranteed price, India would have become a significant supplier to the British market.³² (Unsurprisingly, letters to the press in and around the cotton spinning districts were often more supportive of the reputation and actions of the cotton industry's members.)³³ Others, in a similar vein to Bazley, accused the manufacturers of constructing new mills without giving the least thought as to how they were to be supplied.³⁴ The Manchester Times declared in January 1861:

"Had Lancashire been less deaf to warning it would not have been startled from its propriety by the present awkward phase of the cotton supply question. For years it has been advised of the danger which now starts up in such alarming proportions. Time after time, with a pertinacity deserving of greater success, has its attention been called to the subject."³⁵

Some mill workers turned upon their employers for allowing the dependence upon the American supply to have arisen. *The Times* reported that at a meeting in Preston in July 1862:

"A working man rose in the middle of the crowd, and said the scarcity of cotton was not the fault of the working classes, but of the master spinners and manufacturers, who, though everything else in their mills might be obtained from 50 places, yet insantly depended on one source only for their cotton."³⁶

³⁰ Ibid., 31 Oct. 1861, p. 5; *Edinburgh Review*, April 1862, pp. 479, 486-7; J. Bentley, *The Second Cotton Famine and How to Prevent a Third*, Manchester?, 1866?, p. 8.

³¹ *The Manchester Courier and Lancashire General Advertiser*, 12 July 1862, p. 11.

³² *The Times*, 15 Nov. 1861, p. 8.

³³ See for instance the letter signed "G" in the *Manchester Guardian*, 21 Nov. 1861, p. 4.

³⁴ *The Times*, 7 July 1862, p. 6.

³⁵ *The Manchester Times*, 26, Jan. 1861, p. 4.

³⁶ *The Times*, 17 July 1862, p. 7.

Even the Cotton Supply Association itself (which was founded by those spinners and manufacturers concerned by the supply question) was not immune to criticism. James Petrie of Liverpool (who had studied the growth of cotton in India) criticised the Association for not actually doing anything, stating: "Writing has done its best and its worst for cotton growing in India. The people of this country are tired of it; they want to see the bales of cotton arriving."³⁷ The Association retorted that Petrie had misunderstood the purpose of the Association; it was not a trading body nor did it possess "unlimited capital."³⁸

Regarding Indian cotton, Lancashire spinners were criticised for not sending out agents during the war to acquire cotton and were urged, for instance in Parliament, to do so.³⁹ Another criticism was that the spinners were prejudiced against Indian cotton (it was naturally inferior to American cotton). A Liverpool cotton broker writing in *The Times* in February 1862 condemned the "obstinacy of our spinners refusing to adapt and alter their machinery to consume it," he argued that this led to the price of Indian cotton being too low to attract more of it to Britain.⁴⁰

The Lancashire spinners, and some commentators, did not accept the criticism (although, as noted above, some spinners associated with the Cotton Supply Association did agree that the trade should take some of the blame). On the subject of Indian cotton, a spinner replied to the above-mentioned criticisms of the Liverpool cotton broker, arguing that he had recently bought two bales of "Surat" (Indian) cotton. The first bale contained twenty-five percent

³⁷ *Ibid.*, 4 Oct. 1861, p. 5.

³⁸ *Ibid.*, 8 Oct. 1861, p. 9 See also for a discussion of the actions of the Cotton Supply Association and accusations made against it *The Manchester Times*, 15 June 1861, p. 5.

³⁹ *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, col. 363 (speech of Lord Brougham), cols. 370-1 (speech of Earl De Grey and Ripon); *Parliamentary Debates* (Commons), vol. 172, 3 July 1861, cols. 214-5 (speech of Sir Charles Wood). See also: *The Times*, 20 Jan. 1863, p. 6.

⁴⁰ *The Times*, 5 Feb. 1862, p. 6; Criticism of spinners' attitudes to Indian cotton predated the Civil War; see: J. Forbes Royle, *On the Culture and Commerce of Cotton in India, and Elsewhere*, London, 1851, p. 24.

waste, while the second contained thirty percent waste; a lower price was, therefore, perfectly justified in his opinion.⁴¹ This was also a point argued on the spinners' behalf by *The Economist*.⁴² Edmund Potter, who had, in fact, criticised the trade, argued that paying more for Indian cotton was "rather unsound economy I should fancy." He pointed out that during the war there was a reluctance to invest in Indian cotton because many spinners believed that if the American war ended, those investing in Indian cotton would be ruined.⁴³

The Economist correctly pointed out that although there had been concerns regarding dependence upon America, no-one had predicted or could have foreseen the complete halting of the American supply:

"The most noticeable point is that no one did foresee, or could have foreseen, this interruption of the supply of cotton. Many persons predicted the casual cessation or decrease of the crop through an insurrection of the slaves. Some predicted such cessation or decrease sooner or later, through the emancipation of the slaves. But no one, in his wildest speculations, ever predicted a stoppage of the supply in consequence of a blockade of the Southern ports by the Federal forces. Even those who were shrewd and far-sighted enough to anticipate an ultimate dissolution of the Union, never contemplated such a mad spectacle of fratricidal folly and barbarism as that under which we are now suffering. We say, therefore, that the Lancashire manufacturers could not have foreseen or expected such a privation as has fallen upon them, and would have been regarded as fanciful dreamers had they prophesied it."⁴⁴

It was not only the cotton spinners who were criticised for not having done more to alleviate dependence upon the United States; businessmen in general were censured.⁴⁵ Liverpool – the port to

⁴¹ *The Times*, 7 Feb. 1862, p. 12.

⁴² *The Economist*, 13 Apr. 1861, p. 399.

⁴³ *The Times*, 4 July 1862, p. 12.

⁴⁴ *The Economist*, 24 Jan. 1863, p. 89.

⁴⁵ Bentley, *Cotton Famine*, pp. 31-3.

which by far the largest portion of cotton was shipped – received criticism from the Cotton Supply Association during the war for doing little to further the ends of the Association. The Association complained that of the five thousand pounds it spent in 1863, only seventy pounds came from Liverpool.⁴⁶

The British Government was criticised for not doing enough to encourage the growth of cotton. On the eve of war, the Earl of Ellenborough commented in Parliament: “I regret to see... that Her Majesty’s Government do not comprehend the extent of the danger with which we are threatened, and that they are not prepared to meet, as they ought, the emergency that has arisen.”⁴⁷ During the war, the Government was again criticised in Parliament for not perceiving the seriousness of the crisis.⁴⁸ The British Government received particular censure during the conflict for not doing more to further the production of cotton in India, despite being urged to do so,⁴⁹ so much so that it was (unsuccessfully) proposed in 1863 to establish a select committee to enquire whether the Government could do more to encourage Indian cotton production.⁵⁰ The Cotton Supply Association was particularly critical of the Government. At its annual meeting in Manchester in September 1862, the spinner Edmund Ashworth commented:

“They had found the Turkish Government, represented by its Ambassador – a Government which had been considered despotic and fallen – more cordially respond to their proposition to increase their intercourse with Turkey and the Turkish dominions than the Indian Board had done. (‘Shame,’ and cheers.) The Indian Board had treated them from the first with the greatest contempt and contumely, had stated that which

⁴⁶ Henderson, *Cotton Famine*, pp. 37-8.

⁴⁷ *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, col. 373.

⁴⁸ *Parliamentary Debates* (Commons), vol. 167, 19 June 1862, col. 790 (speech of Mr. Caird).

⁴⁹ See the letter of Richard Burn urging greater government action in *The Times*, 12 July 1862, p. 13.

⁵⁰ *Parliamentary Debates* (Commons), vol. 172, 3 July 1863, cols. 178ff.

was not true, and had treated all their arguments as those actuated by merely selfish motives (hear, hear)."⁵¹

A similarly damning comparison was made again between the Turkish and the British Government by G.R. Haywood of the Association;⁵² other foreign governments were applauded for doing more than the British, for instance the French in Algeria.⁵³ The Government was criticised for various specific failings; one key issue was the perceived failure to provide adequate transport facilities in India for the shipment of cotton from the places where it was cultivated.⁵⁴ Referring to the Secretary of State for India, Sir Charles Wood, one newspaper in the Lancashire cotton town of Bolton went so far as to say he was the "worst Indian Minister that any party could select" and that with his removal from office "most of the obstacles to the extension of cotton cultivation in India will go with him."⁵⁵

The British Government defended its record but at the same time made it clear that there was a definite limit to what it considered the proper duties of government. Wood argued in June 1862 that the difficulties the Government had to face in India were not being properly appreciated. He drew particular attention to the consequences of the Indian Mutiny of 1857; he stated "instead of borrowing money for public improvements, we were obliged to borrow to secure our very existence in India."⁵⁶ He also explained that the construction of roads was hampered by expense and lack of materials.⁵⁷ However, he pointed to the works which had been carried out, stating that in

⁵¹ *The Times*, 24 Sep. 1862, p. 7.

⁵² *Ibid.*, 26 Nov. 1862, p. 7.

⁵³ *Parliamentary Debates* (Commons), vol. 172, 3 July 1863, col. 191 (speech of Thomas Bazley).

⁵⁴ *The Times*, 17 July 1862, p. 7; 5 Sep. 1863, p. 7. See also the comments concerning Sir Charles Wood in *The Manchester Times*, 26 Jan 1861, p. 3, and in *ibid.*, 4 Feb. 1865, p. 2, on the view that the Government of India had failed to invest in internal communications. See also *The Manchester Courier and Lancashire General Advertiser*, 2 Nov. 1861, p. 9, and *The Blackburn Standard*, 31 Dec. 1862, p. 2.

⁵⁵ *The Bolton Chronicle*, 2 July 1864, p. 5.

⁵⁶ *Parliamentary Debates* (Commons), vol. 167, 19 June 1862, col. 777.

⁵⁷ *Ibid.*, col. 781.

the previous five years, five million pounds had been spent on public works and seven million on railways. He also pointed out that from 1861, Government agents in India had been instructed to do what they could to encourage the cultivation of cotton, and efforts had been made to publish information and statistics relating to Indian cotton.⁵⁸

Wood believed that improving transport and spreading information was the most that the Government should do. It was up to private individuals to supply buying agents and encourage cultivation through demand for the product,⁵⁹ and it was certainly not seen as the Government's role to do anything in the manner of setting up model farms or sending out agents to communicate the needs of the Lancashire manufacturers: "those duties devolved properly on those who were purchasers of cotton."⁶⁰ In fact in private, the manufacturers' contempt for Wood and the India Board was mirrored by Wood's lack of respect for them. In August 1861 he wrote:

"I must say that the manufacturers here are a hopeless set – they will do nothing for themselves; and it is all I can do to keep my temper with them... They had asked me (imagine such folly) to send a member of my Council to procure cotton!!! I could only answer send your agent with ample credit and he'll get all the cotton there is... They are too helpless and provoking."⁶¹

The Government argued that the cultivation of new cotton fields would be the inevitable result of market forces. Wood, in 1863, said before Parliament: "I have the greatest confidence in... [the]... principles of commercial policy and political economy... My conviction is, that an adequate demand, evinced by a rise in price, will produce an adequate supply."⁶² He added that the Liverpool price for Indian

⁵⁸ *Ibid.*, cols. 778-9.

⁵⁹ *Ibid.*, cols. 784-5.

⁶⁰ *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, cols. 370-1 (speech of Earl De Grey and Ripon).

⁶¹ Quoted in Longmate, *The Hungry Mills*, p. 219.

⁶² *Parliamentary Debates* (Commons), vol. 172, 3 July 1863, col. 211.

cotton was now (July 1863) “fair” and that these principles would now operate.⁶³

4. Relieving the Shortage of Cotton: Intervention or *Laissez Faire*?

A faith in the power of “supply and demand” was something which was reiterated many times in discussions of the cotton question throughout the war. As noted above, in the previous periods of concern over cotton supply for the British market, the “principles of political economy” did, indeed, appear to have worked, with increased demand raising prices and stimulating increased output to supply the industry. It is not surprising, therefore, that many held that the law of supply and demand would again alleviate the situation, bringing plentiful cotton to Britain.

Early in the war *The Economist* asserted this view that the stoppage of American supplies and the ensuing high prices would induce others to supply the British industry. It further argued that these new suppliers would remain in the market after the end of the Civil War, so reducing Britain’s dependence on the United States (although the journal did admit that 1862 would be a difficult year because it would take time for the price stimulus to work). *The Economist* observed “The true way to supply the Liverpool market, we may feel pretty sure, is to allow prices to run up to their natural point as fast as they naturally will.”⁶⁴ A letter from Liverpool to *The Times*, published in October 1861, from an individual writing under the name “Raby”, again asserted that economic principles would produce new supplies; he wrote that “it will be contrary to the laws of trade if such an increase of price does not call forth an increased supply”, asserting that there was “needless alarm at the loss of the American cotton crop.”⁶⁵ *The Times* itself confidently predicted in

⁶³ Ibid.

⁶⁴ *The Economist*, 18 May 1861, pp. 536-7; 13 July 1861, pp. 758-9; 12 Oct. 1861, p. 1124; 16 Nov. 1861, pp. 1262-3.

⁶⁵ *The Times*, 18 Oct. 1861, p. 5.

October 1861 that the demand for cotton from Manchester would be responded to by India, and, in November 1862, as the cotton shortage spiked, it said outright that "this season the high prices will draw an ample supply from all quarters of India."⁶⁶

Proposals that the Government should take an active role in the production of cotton were received with hostility in several quarters. Perhaps not surprisingly, *The Economist* was in the forefront in resisting measures which deviated from *laissez faire*, dismissing proposals to guarantee prices to producers in the East, or to impose duties on American cotton (as advocated in *The Spectator*).⁶⁷ It was proposed by some that the Government should send agents to India to communicate the needs of the Lancashire industry. *The Economist* replied that the needs of the market would soon be spread of their own accord.⁶⁸ It had been proposed that the Government should found cotton growing companies in countries and regions such as Australia, Jamaica and Africa, but *The Economist* retorted that although they might be successful, it would take three to four years for them to produce cotton for the market, and argued further that if the Government took over the role of cultivating cotton, it could ruin private individuals.⁶⁹

It is perhaps more interesting to find that there was hostility to direct government action from the Lancashire cotton trade. The Manchester Chamber of Commerce condemned such measures in 1862. At its meeting on 16 July of that year, the members noted various schemes which had been put forward whereby the Government might increase the cotton supply but held that "It is... desirable that any such interference, either with the regular course of trade or with private enterprise, should be well considered and founded upon sound principles."⁷⁰ The meeting suggested that many of the schemes put forward had been "imperfectly considered"; with re-

⁶⁶ *Ibid.*, 24 Oct. 1861, p. 6; 12 Nov. 1862, p. 6.

⁶⁷ *The Economist*, 12 Oct. 1861, p. 1124; 9 Nov. 1861, p. 1234.

⁶⁸ *Ibid.*, 19 July 1862, p. 786.

⁶⁹ *Ibid.*, 19 July 1862, p. 785; 4 Oct. 1862, p. 1095.

⁷⁰ *The Times*, 17 July 1862, p. 7.

gard to guaranteeing prices to producers, it asserted that guaranteed prices were “...utterly at variance with true trading principles, and amount to a direct renunciation of the law of supply and demand; constituting an interference that would paralyse private enterprise, and creating instead a species of protection in its worst form, by giving a bounty from the public purse for the production of an inferior article.”⁷¹ It finally noted that “The Board... relies confidently on the ordinary law of supply and demand.”⁷²

Some people did have doubts that the *laissez faire* approach would alleviate the crisis. In May 1861 the Earl of Ellenborough stated that because the supply situation was such an emergency, the Government should consider taking action beyond that which it would normally pursue.⁷³ The peculiar situation caused by the war was undermining the faith of some in the law of supply and demand, because it was not a simple matter of high prices spreading the growth of cotton; the situation was rather more complex. There was a great deal of uncertainty regarding the course and especially the duration of the Civil War. It was felt, particularly in the early stages, that the conflict might suddenly cease and American cotton then flood the market. This concern was heightened in late 1861 by the possibility of war between Britain and America, which, it was argued, would lead to the Southern cotton being released.⁷⁴

There was caution, therefore, in investing in cotton – either in its production or as a speculation – despite the shortfall of supply with respect to demand. Although the price of cotton began to rise as soon as the war commenced, it only rose dramatically once stocks in Liverpool had become seriously depleted in later 1862 and the continuation of the war seemed more likely. This failure of the price to rise rapidly in the early stages of the war was quickly identified as a problem in encouraging fresh supplies to the Liverpool cotton mar-

⁷¹ Ibid.

⁷² Ibid. See also *The Manchester Courier and Lancashire General Advertiser*, 19 July 1862, p. 8, for the Chamber’s opposition to direct government intervention.

⁷³ *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, col. 365.

⁷⁴ *The Economist*, 7 Dec. 1861, p. 1348.

ket. As early as May 1861, *The Economist* asserted the desirability of a lengthy period of higher prices to encourage new sources of cotton.⁷⁵ The need for high prices was stated clearly in a circular published by the cotton firm of Neill Brothers, Manchester:

“Ordinarily we view high prices of cotton as injurious to our customers and to the trade, and we condemn speculation which is so frequently unfounded, and not required to attract a supply which would be certain to come in the natural course of trade. But we now beg our friends to understand that the only means of even slightly mitigating the fearful evils incident to a cotton famine are a great and timely advance in price, which will prove to merchants and growers in India and other distant countries that the scarcity is a real one, and induce them to gather up and ship cotton hither rather than leave it to be manufactured by the natives of those countries.”⁷⁶

In November 1861, *The Economist* argued that the price paid in Lancashire had not risen far enough, or fast enough, to encourage Indian cotton production.⁷⁷ The same month, *The Times* noted that the rise in the price of Indian cotton at Liverpool was “not sufficient to induce men to go largely into the cultivation.”⁷⁸ The need for steady high prices was reasserted again in February 1862.⁷⁹

The slow initial rise in price was largely due to the uncertainty regarding American affairs. As *The Economist* noted in July 1861, if the American crop had been destroyed, speculation in cotton and its price would rapidly advance: “But as the crop is merely withheld,” the review continued, “and might any day be liberated and come forward, no one knows how to act or how far to venture... [T]he future of cotton is so thoroughly and hopelessly uncertain and incalculable, that only reckless men dare meddle with it boldly.”⁸⁰

⁷⁵ Ibid. 18 May 1861, pp. 536-7.

⁷⁶ Quoted in *ibid.*, 24 Aug. 1861, p. 929.

⁷⁷ Ibid., 30 Nov. 1861, p. 1318.

⁷⁸ *The Times*, 15 Nov. 1861, p. 8.

⁷⁹ Ibid., 20 Feb. 1862, p. 12.

⁸⁰ *The Economist*, 13 July 1861, p. 759. See similar, later comments in *The Liverpool Mercury*, 18 Dec. 1862, p. 6.

In September 1861, *The Economist* opined: “there never to our knowledge was a crisis half as serious or exciting as the present when the mercantile community showed the coolness they evince at present. There is no wild speculation; there is no irrational panic; prices creep up steadily but slowly.”⁸¹ In July 1862, it was noted that Liverpool merchants and Lancashire manufacturers had been deterred from offering higher prices for Indian cotton because of the uncertainty surrounding the fate of American cotton; “merchants therefore, sent out orders very timidly, and at moderate limits.” *The Economist* did note, however, that by this time, the situation was beginning to change.⁸²

The nervousness of those thinking of investing in Indian cotton was summed up by a poem published in *Punch* during the autumn of 1861, entitled “The Indian Cotton Question”:

“You have told me that you want me, and of course the truth
you speak,
For your looms half-time are working, and your cotton you’ve
to seek,
No ‘American’ obtaining, under that severe blockade,
By the Northern States established, which suspends the South-
ern trade.
But if North and South should happen ever to conclude their
row
Ere the ruin of their commerce, will you buy me then as now?
Somewhat lower price that other article may then combine
With a quality superior in a small degree to mine.
Money having been invested in the labour and the land
Needful for my cultivation, with a view to your demand,
Can I trust that you’ll continue faithful to your present vow?
Better market once more open, will you buy me then as
now?”⁸³

⁸¹ *The Economist*, 7 Sep. 1861, p. 982.

⁸² *Ibid.*, 19 July 1862, pp. 785-6.

⁸³ Quoted in *The Times*, 14 Nov. 1861, p. 8.

The peculiarities of the situation were such that even some of the keenest advocates of *laissez faire* were induced into qualified criticism of the law of supply and demand. John Bright in July 1863, in replying in Parliament to a speech of Sir Charles Wood endorsing a “market” approach to the cotton question, commented:

“The right hon. Gentleman relies very much upon true economical principles, and he says – what is now common in all the school books – that a demand will bring a supply. But though it is a very common phrase, it has its qualifications, and there are obstacles which entirely overthrow it.”⁸⁴

Such comments were received with glee by opponents of the “Manchester School.”⁸⁵

5. Exploiting the British Empire for Cotton

Two regions besides India that received particular public attention as possible cotton producers to supply the British industry were Natal and Australia. The understandable agenda seems to have been to develop cotton growing areas that, like India, were under British control. As a speaker at a public meeting in Manchester 1862 put it: “the people of this country are losers by paying gold for the cotton imported from America; for, if they obtained the raw material from the colonies, they would pay for it with manufactures, and so both the colonies and the people at home would be benefitted in all respects.”⁸⁶ The *Westminster Review* argued:

“in the British colonies there are larger spaces of territory, more eligible climates, a greater amount of cheap labour for the production of the raw material of the chief manufacture of the mother country, than there are in any other portions of the earth. India or Australia, it is said, could, under conditions,

⁸⁴ *Parliamentary Debates* (Commons), vol. 172, 3 July 1863, col. 224.

⁸⁵ *Ibid.*, cols. 236–7.

⁸⁶ *The Manchester Courier and Lancashire General Advertiser*, 16 Aug. 1862, p. 10.

alone supply our markets; large quantities of cotton could be obtained from our stations in Southern Africa, and the western coast of that continent could quickly rival the United States in the cotton export trade."⁸⁷

On the eve of the war and during the conflict, Natal was put forward as a suitable location, it being pointed out that some good quality cotton had been successfully grown there and a cotton growing company had been established by a group of Germans. Cotton seed was sent there from Manchester by the Cotton Supply Association, and the Government urged the indigenous people to grow it. Attempts in Natal were largely unsuccessful, however. There was a lack of capital and suitable labour, while the "natives" had little knowledge of how to cultivate cotton. When cotton was grown, the marketing mechanisms necessary for it to be sold did not exist. The German company went out of business.⁸⁸

Other British possessions in Africa also received attention as possible sources of supply for the British industry early in the war. It was pointed out that the peoples of West Africa already grew some cotton and that what was needed was European supervision. William Balfour Baikie (who had led an expedition to the Niger) stated that what was needed was "a few healthy young Englishmen or Scotchmen accustomed to trade, and not too nice in their ideas of living." The Africa Aid Society stated in 1861 that "the natives are ready to supply any amount of cotton for Manchester and Glasgow manufacturers;" similar claims were also made by *The Westminster Review*. Samples of cotton grown in West Africa were sent to Britain and during the war small commercial amounts were received.⁸⁹

⁸⁷ *The Westminster Review*, quoted in *The Merchants' Magazine*, 45, Oct. 1861, p. 382.

⁸⁸ *Parliamentary Debates* (Commons), vol. 172, 3 July 1863, col. 192 (speech of Thomas Bazley); *Edinburgh Review*, April 1862, p. 482; *The Times*, 23 Jan. 1861, p. 5; 17 Dec. 1863, p. 6; 11 Feb. 1864, p. 6.

⁸⁹ *The Times*, 18 Oct. 1861, p. 9; 13 Dec. 1861, p. 7; 15 Apr. 1862, p. 11; 13 Aug. 1862, p. 4; 30 Aug. 1862, p. 12; 25 June 1863, p. 9; 22 Aug. 1863, p. 9; 27 Aug. 1863, p. 5; *Westminster Review*, April 1861, pp. 440-1; *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, col. 364 (speech of Lord Brougham).

Australia received considerable attention as an area capable of producing cotton. That country (Queensland in particular) was being touted on the eve of the war as a possible major supplier.⁹⁰ One commentator argued in January 1861 that there was a longer growing season than in the United States, and hence less risk from frost, and maintained that "Capital and labour properly directed would very soon make cotton the agricultural staple of Australia. That it will ultimately become so, I have no doubt."⁹¹ Various proposals were put forward, and some cotton-growing companies were actually formed. For instance, a public meeting was held in Manchester Town Hall in August 1862 in connection with the formation of a "Western Australia Cotton Company". The promoters assured those attending that the climate was perfect for cotton production, labour could be drawn from India and China, while in terms of transport, they noted that mail steamers took just fourteen days to reach Ceylon.⁹² Other promoters of the growth of cotton in Australia made similar arguments with regard to a supposedly suitable climate and the possible use of Indian and Chinese labour.⁹³

Other British possessions too were recommended as possible sources of cotton and salvation for the British industry. The public was informed in 1863 by the promoters of a proposed cotton growing company that British Honduras (now Belize) was a region where the cotton plant "thrives", while a supply of labour could be obtained from the indigenous inhabitants, Mexico and freed American slaves.⁹⁴

A considerable amount of attention was paid to the West Indies, a region which had once been an important supplier of cotton to the British market. On the eve of war, Lord Brougham argued that in

⁹⁰ *The Westminster Review*, April 1861, p. 442.

⁹¹ *The Times*, 15 Jan. 1861, p. 7. See also *The Ashton Weekly Reporter*, and *Stalybridge and Dukinfield Chronicle*, 21 Dec. 1861, p. 2 for a lengthy article extolling the supposed great cotton-growing potential of Queensland.

⁹² *The Manchester Guardian*, 28 Aug. 1862, p. 2.

⁹³ See for instance the letter of one William Cross printed in *ibid.*, 17 May 1861, p. 4.

⁹⁴ *The Manchester Guardian*, 2 Mar. 1863, p. 2.

the West Indies there was plentiful land, and labour in the form of the “free people of colour;” he believed that the West Indies would become an important source in the event of a failure of the U.S. supply.⁹⁵ Others again argued that there was plentiful land and that cotton grew well.⁹⁶ The claims of the various West Indian islands were put forward, including Jamaica, Trinidad, Demerara, Antigua, Dominica and the Bahamas. It was asserted during the war that “with due encouragement, large supplies may be obtained” from Trinidad, and the quality of samples from there was praised.⁹⁷ It was stated that Demerara was “well able to furnish an almost unlimited supply of cotton and of the best kind.”⁹⁸ The public was assured that the Bahamas could produce good quality cotton and that there was land and labour to hand.⁹⁹ It was argued that the freed slaves of Tobago could turn their hands to cotton growing.¹⁰⁰

All too easily, the public mind seized upon areas capable of growing cotton, within and without the Empire, and assumed that under the power of supply and demand they might become major suppliers. The list of other potential cotton-growing regions put forward is lengthy indeed, embracing Persia, Borneo, Macedonia, Algeria, Italy, Venezuela, Chile, Peru, Argentina, Fiji, Java, Cuba, Haiti, the Sandwich Islands, Tahiti, Morocco, Malta, Corsica, the Canary Islands, New Zealand and many more.¹⁰¹

It is interesting that as early as February 1861 the *Manchester Guardian* reprinted an article from *Mechanics’ Magazine* that warned

⁹⁵ *Parliamentary Debates* (Lords), vol. 163, 31 May 1861, cols. 363-4.

⁹⁶ *The Times*, 25 Jan. 1861, p. 5.

⁹⁷ *Ibid.*, 1 Sep. 1862, p. 4; 2 Oct. 1863, p. 5.

⁹⁸ *Ibid.*, 10 Dec. 1863, p. 7.

⁹⁹ *Ibid.*, 27 Sep. 1861, p. 10; see also: *ibid.*, 7 Jan. 1862, p. 5.

¹⁰⁰ *Ibid.*, 22 Jan. 1863, p. 7.

¹⁰¹ R. Arthur Arnold, *The History of the Cotton Famine from the Fall of Sumter to the Passing of the Public Works Act*, London, 1864, p. 371; *The Merchants’ Magazine*, 44, June 1861, pp. 678-684; 45, Oct. 1861, pp. 412-3; *Edinburgh Review*, April 1862, p. 483; *The Times*, 6 Jan. 1862, p. 10; 1 Apr. 1862, p. 5; 3 Apr. 1862, p. 12; 14 Aug. 1862, p. 12; 29 Jan. 1863, p. 7; 26 Feb. 1863, p. 14; 25 June 1863, p. 9; 7 Aug. 1863, p. 7; 3 Sep. 1863, p. 10; 29 Oct. 1863, p. 7; 5 Nov. 1863, p. 5; 24 Dec. 1863, p. 7; 4 Feb. 1864, p. 6; 30 July 1864, p. 7.

against the overly optimistic view that many regions could supply raw cotton to replace any loss of the American supply. This article noted the many letters submitted daily to newspapers extolling the merits of the supposed cotton growing regions that could supposedly replace the United States. The article warned:

“However freely and luxuriantly the cotton shrub may grow, an alliance of three conditions must be, in some way, brought about, before any particular cotton growing region can be elevated to the position of a source of cotton in any commercial sense. The three indispensable conditions are – labour, regular reliable, continuous; machinery, for freeing the wool from seed and packing; and, thirdly, sufficient means of transit. Either of these conditions failing any particular spot, whatever its climatic advantages, at once sinks below notice or regard as a source of commercial cotton supply.”¹⁰²

These remarks turned out to be all too prescient: It was easy to list countries and regions in and outside the Empire *capable* of growing cotton. It was an entirely different matter realising this potential by procuring a reliable source of labour, transport facilities, capital investment in machinery, and a mercantile network.

6. The Extent of non-U.S. Cotton Supplies during the Civil War

Before concluding, it is worth noting how well the stimulus of higher prices and public exhortation actually worked to bring cotton to the Lancashire spinners from regions other than the American South. Non-American sources were, indeed, stimulated by the removal of the American crop and the rise in price. However, these supplies did not rapidly, or anything like completely, make up for the lack of cotton from the United States. It is interesting to note that the production of non-American cotton peaked after the end of the Civil War, not during it. This was in part because American cotton

¹⁰² *The Manchester Guardian*, 4 Feb. 1861, p. 2.

production did not regain pre-war levels until the 1870s, when prices too returned to their pre-war levels. In 1859, 192,331,000 *lbs* of cotton were received in Britain from India and in 1860, 204,145,000 *lbs*. Imports then began to rise significantly: to 369,040,000 *lbs* in 1861, 394,421,000 *lbs* in 1862, 465,988,000 *lbs* in 1863, and 602,089,000 *lbs* in 1864, before falling back to 484,787,000 *lbs* in the troubled year of 1865 (when the Civil War came to an end). The peak in cotton imports from India came after the end of the war, in 1866, at 621,186,000 *lbs*.¹⁰³

Brazil, an important supplier in the early days of the industry but not widely discussed during the war, exported 22,479,000 *lbs* to Britain in 1859 and 17,287,000 *lbs* in 1860. In 1861 Britain received very little more, 17,290,000 *lbs*, but imports then rose significantly, peaking at 98,797,000 *lbs* in 1868, and 112,510,000 *lbs* in 1872. After this latter date, imports of Brazilian cotton declined steadily.¹⁰⁴

Imports from the West Indies (which had been Britain's main supplier of raw cotton in the eighteenth century) had fallen to very low levels indeed by the eve of the Civil War. In 1859, just 592,000 *lbs* were received from that source, and in 1860, 465,000. The volume imported in 1861 was only marginally greater (486,000 *lbs*) but exports began to rise in 1862 (5,563,000 *lbs*). The peak year was 1864, with imports of 26,738,000 *lbs*. Imports fell drastically after the end of the Civil War but remained somewhat higher than pre-war levels until the mid-1870s.¹⁰⁵ As these figures indicate, the West Indies did indeed expand cotton cultivation and exports during the war, but their potential for making a truly substantial contribution was limited. Labour, despite the assurances, appears to have been a major problem, and one that had been perceived by some even before the war.¹⁰⁶ The problem was noted in Antigua, where despite reports

¹⁰³ Ellison, *Cotton Trade*, appendix, table 2. The figures were collected from the Board of Trade returns.

¹⁰⁴ *Ibid.*

¹⁰⁵ *Ibid.*

¹⁰⁶ *Westminster Review*, April 1861, p. 442; Ellison, *Handbook*, pp. 75-80.

that "Quite a mania has seized Antigua in regard to cotton cultivation" the local legislature tried to encourage immigration to solve the problem.¹⁰⁷ In 1862 it was argued that it was impossible to grow cotton remuneratively in Jamaica with free black labour and that "Indian coolies are wanted, but they are a distant and expensive commodity."¹⁰⁸ The possibilities of the West Indies were further undermined by poor weather during the war.¹⁰⁹

As early as 1834, samples of Sea Island cotton (a very fine type of cotton) grown in Australia had been highly praised, and other samples received during the war drew similar praise; indeed, the Manchester Chamber of Commerce judged that samples of Sea Island cotton received from Queensland were the finest ever seen.¹¹⁰ The first Australian cotton appeared in Liverpool on a commercial basis in 1858, and in 1863 it was recorded that in the first six months of that year, 13,664 *lbs* of cotton had been imported from that country and that there were several profitable cotton concerns in Queensland.¹¹¹ General success was not forthcoming, however. Starting up a major cotton growing industry from scratch required plentiful capital and cheap labour, but these did not materialise (despite some efforts by the Queensland Government to encourage them). There was also the problem of a profitable alternative in the production of wool and difficulties caused by poor weather and floods.¹¹² Given the lack of labour and capital, in April 1862, in discussing Australia and other possible sources of cotton production, *The Edinburgh Review* concluded "it would be in the last degree absurd to include them in the category of any present sources of supply."¹¹³

¹⁰⁷ *The Times*, 10 Dec. 1863, p. 7; 19 Oct. 1864, p. 8.

¹⁰⁸ *Edinburgh Review*, April 1862, p. 480.

¹⁰⁹ *The Times*, 21 Jan. 1864, p. 6; 18 Feb. 1864, p. 6; 19 Oct. 1864, p. 8; 27 Apr. 1865, p. 9.

¹¹⁰ *Ibid.*, 15 Jan. 1861, p. 7; 28 Aug. 1862, p. 9; *The Merchants' Magazine*, 45, Oct. 1861, p. 337; *Edinburgh Review*, October 1863, p. 338.

¹¹¹ *The Times*, 27 May 1863, p. 7; 22 Aug. 1863, p. 9; *Edinburgh Review*, October 1863, p. 338.

¹¹² Henderson, *Cotton Famine*, pp. 42-3; *The Merchants' Magazine*, 44, March 1861, pp. 391-2; *Edinburgh Review*, April 1862, pp. 482-3; *Parliamentary Debates*, Commons, vol. 167, 19 June 1862, pp. 787-8, (speech of Thomas Bazley); *The Times*, 21 May 1861, p. 7; 14 Aug. 1862, p. 12; 22 Jan. 1863, p. 5.

¹¹³ *Edinburgh Review*, April 1862, p. 483.

West Africa failed, despite the high hopes expressed during the war, to become anything like a significant supplier, actually sending less cotton in 1863 than 1862. The problems were lack of capital, infrastructure, marketing and experience of commercial production, as well as the presence of profitable alternative crops such as palm oil and ground nuts. One commentator condemned the “sheer delusion” of expecting anything like rapid development of West African cotton.¹¹⁴

7. Conclusion

In conclusion, it is incorrect to say that no attention was paid to the problem of the British cotton industry’s heavy reliance upon American cotton in the years preceding the outbreak of the U.S. Civil War. Concerns were voiced in the 1830s, 1840s and 1850s, the latter decade also seeing the establishment of the Cotton Supply Association in Manchester. However, when war broke out and cotton supplies from the United States dried up, considerable time and effort went into laying the blame for the crisis at the feet of someone. The British manufacturers were charged with not having done enough to reduce their dependence on the United States for cotton supplies, while the Government was censured, particularly with regard to India, for not having done more to foster cotton production and shipment.

Many areas were suggested as possible sources of cotton during the war, particularly areas under British rule: India, the West Indies, west and southern Africa and Australia. Great emphasis was laid upon the “law of supply and demand,” it being widely believed that with very little intervention market forces would soon give rise to new, expanded sources of cotton for the British textile industry. India did indeed prove to be a valuable alternative source of cotton, but expanding the volume of supply sufficiently took a good deal of

¹¹⁴ *The Times*, 27 Aug. 1863, p. 5; 3 Nov. 1863, p. 6; *Edinburgh Review*, April 1862, pp. 481-2.

time, leading to a very serious shortage of cotton particularly in 1862, the depth of the "cotton famine." The hopes expressed for such other regions as Australia, Africa and the West Indies proved to be illusory. They lacked infrastructure and labour, while profitable alternative crops to cotton existed. In the years after the end of the American Civil War, cotton from alternative sources did continue to enter Britain, but as the United States recovered and the price of cotton fell, these alternatives dwindled in importance and the British industry returned to its reliance upon the United States for its cotton.

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