

BURY IN THE COTTON FAMINE 1861-64

THE CAUSES OF THE CRISIS

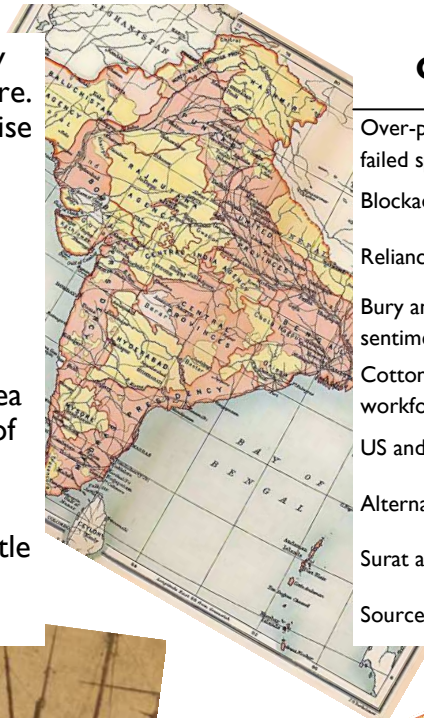


Detail from engraving of first international anti-slavery conference in London, 1839, from Ant-Slavery International

The outbreak of the American Civil War was only one element that contributed to crisis in Lancashire, 1861-1864. The aim of this booklet is to summarise the mixture of causes that created an unprecedented disaster across the cotton textile industry in Lancashire, and to highlight where possible how the Bury area was affected.

This booklet forms one in a series exploring the effect of the Cotton Famine of 1861-64 on the area around Bury. The research was done by a group of members of Bury U3A.

We were responding to a wider active learning initiative that started in 2018, with the umbrella title 'Cottonopolis'



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THE UNIVERSITY OF THE THIRD AGE

Over-production and failed speculation

The outbreak of the American Civil War was only one element that contributed to a crisis in Lancashire.

Boom followed by bust

In the late 1850s there was a boom in the Lancashire cotton industry.

The boom was fed by the development of railways after 1846. These extended the existing network of canals.

Lancashire towns like Bury were connected directly by canal and railway to the docks of Liverpool. Imported bales could move straight to mills, and finished cloth intended for foreign and colonial markets made the return journey.

This was highly successful for both mill and plantation owners, and by 1860 over 1,115,000 pounds weight of cotton from the USA was imported via Liverpool.

But in fact, this was just too successful. So much cloth was produced in Lancashire in 1860, that certain foreign markets were swamped with it. There was too much to sell.

Over-production led to a trade downturn, and by early 1861 Lancashire mills were starting to cut hours.

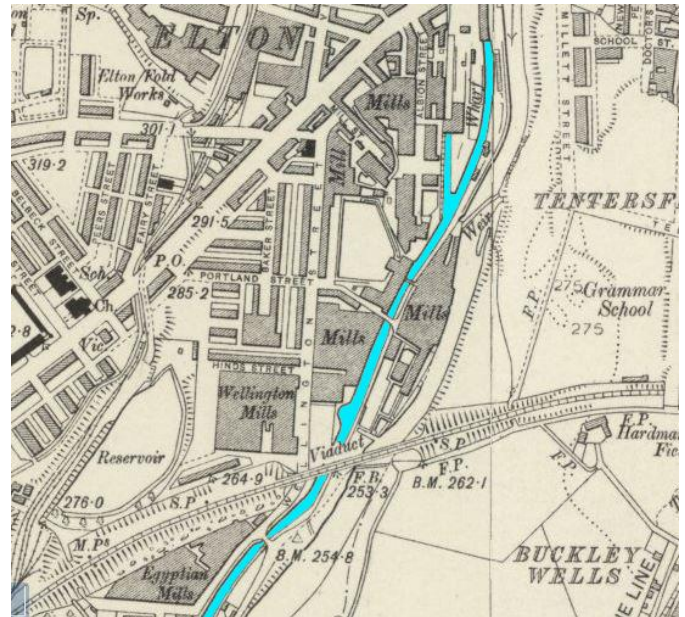
As events turned out, this was rapidly followed by the onset of Civil War in America and the blockade of the southern ports from which raw cotton was exported. The downturn became a long-term crisis for Lancashire.

The events of this time are described in a series of letters written by George Horrocks of Farnworth, near Bolton, whose mill went from buoyant to ruined in two years (*Lancashire Archives*).

Speculation in cotton

In 1859-60, the southern states produced 'more raw cotton than the world needed' (*Henderson*). This lowered the price to manufacturers in Britain, and coincided with an unusually high demand for cotton cloth in India. Mills went all out to meet this demand, leading to a boom that peaked in 1860. Massive quantities of cloth were sent out to India and China in the expectation of sales rolling in the profits.

It was believed that if speculation in the Indian and



From dock to mill via canal: the terminus of the Bolton & Bury Canal at Bury, 1881

Chinese markets failed, losses would be covered by selling to the well-established markets in America and the Caribbean.

Sudden loss of sales and trade depression, 1860 onwards

By May 1860 it was clear that the Indian and Chinese markets were no longer buying Lancashire cloth. Stocks that had been shipped out simply remained unsold in Mumbai warehouses.

Some Lancashire mills responded by cutting workers' hours. It made sense to minimise spending on wages while selling off any stock already produced.

This was in itself would have led to a period of depression in the cotton industry. Such cycles of boom and bust were grimly familiar to Lancashire textile communities.

The usual course of events was to sit tight and wait for the economy to improve again, but the prospects of recovery became more distant when civil war broke out in the USA.

Blockade, stockpiling, and soaring costs

The northern Union navy blockaded the ports of the southern Confederates from April 1861 until 1865.

This disrupted the supply of raw cotton from the southern USA to England, an established trade link that had been operating for over 60 years. Without the plentiful, affordable raw materials, cotton textile mills had to steadily reduce output or close completely. Their workers faced either reduced hours or unemployment.

There were stocks of raw cotton in warehouses at Liverpool. It was estimated that maybe four months' supply lay in store. However, this didn't take the effect of speculation into account

Lancashire's thriving cotton industry was facilitated by the highly skilled Liverpool cotton brokers, an elite professional association who guaranteed quality and resolved disputes.

The brokers negotiated the best price for imported bales of cotton. In some instances all the work happened on paper, but they could rent warehouse space for cotton bales, if need arose, and store them until they fetched the best price.

The blockade encouraged both mill owners and cotton brokers to hold onto any stock they had. A shortage of raw cotton meant the price would go up.

Prices did indeed rise. The most basic grade of raw cotton, 'middling Orleans', rose in price from 6 pence per pound weight in 1860, to 30 pence in 1864.

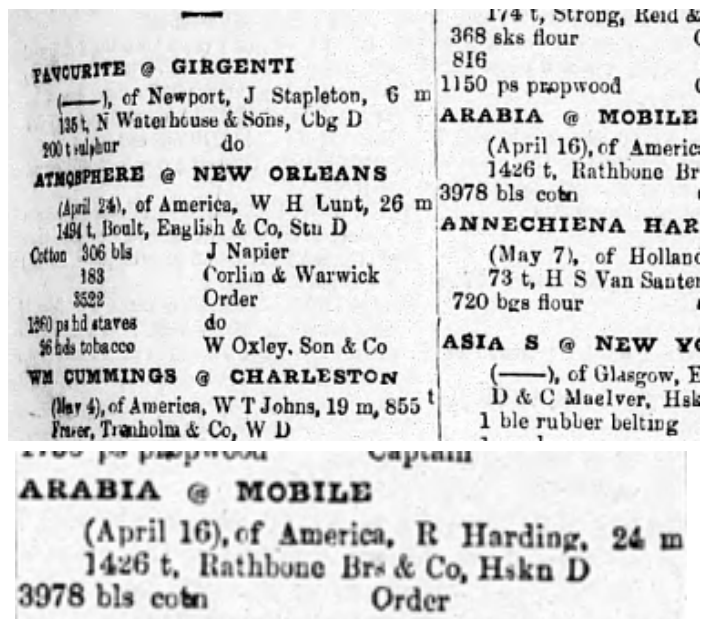
This order of price rise meant smaller businesses struggled to operate, while the biggest mill owners began buying and warehousing raw bales cotton like brokers.

So profits were still being made by some, despite unemployment growing alarmingly from 1861 onwards.

The profit to be made from breaking through the Union navy's blockade were so large that shipyards around the Mersey Estuary specialised for a time in building 'blockade runner' ships. This was immensely lucrative and made fortunes for those involved, such as the Forwood brothers of Liverpool who went on to become leading politicians in the area.



Fabric samples, early 19th century, now in Bolton Museum. Lancashire's mills produced miles of cotton cloth printed in bright designs like these, for export across the globe.



Liverpool Port Book 4th June 1860. Detail of 4 southern USA vessels, cotton bales (bls) listed. Purchasers are named next to bale quantities. The vessel 'Arabia' appears to have delivered one massive consignment to a single purchaser.

Banshee	Phantom	Bat
Lucy	Wild Dayrell	Colonel Lamb
Mary	Let Her B	Stag
Lynx	Fox	Deer
Badger	Mary Celestia	Secret
Hope	Owl	Dream
Lark	Georgia Belle	Wren

Blockade runner ships built at Liverpool in 1863 and 1864, from Chris Michael's book 'Lelia'

Reliance on slavery

Britain took an official stance against the use of slaves in its territories with the Slavery Abolition Act in 1833. The global movement that is now called Anti-Slavery International was founded in Britain at this time and included representatives from the USA.

However, until 1865 each US state could make its own choice on slavery. Over 70 years leading up to the Civil War, an economic system supporting based on cotton had developed jointly in the southern USA and Lancashire. Huge profits were generated on both sides, but the system was founded on the use of enslaved labour. Neither end of the economic chain was in a hurry to end the arrangement.

The Cotton Supply Association, formed in Manchester in 1857, was a prominent advocate for 'free' cotton (not produced by slaves). It was guided as much in a desire to avoid the disruption of the supply chain caused when slaves rebelled, as it was in a principled stance against slavery. Dealing with slaves who ran away, resisted passively or erupted into violent organised revolt occupied slave owners' resources see (*Henry Louis Gates*).

The Cotton Supply Association may also have been equally as keen to deprive Manchester radicals such as Abel Heywood of the moral high ground in the debates on slavery.



The first ever international slavery convention, London 1839, from <https://www.antislavery.org/about-us/history/>

Did Bury mill-workers endure hardship to end slavery?

The extract from the Bury Times (*right*) captures a moment in the local response to the Cotton Famine. It reports growing support across Lancashire for the North, against the slave-owning South, and says that mass meetings have taken place in Manchester and London.

In fact, in 1863 more than 50 anti-slavery mass meetings took place across Britain (*Royden Harrison*)

No such meetings were described as taking place in and around Bury, and we cannot say with certainty that Bury textile workers were aware that their own hardship was helping to bring about the end of slavery.

The injustices associated with slavery were discussed in intellectual circles both in Britain and across Europe. Anti-slavery campaigners included Rochdale politician and mill-owner John Bright, and

We are glad to observe that the perversion of feeling in favour of the South which has for some time past been displayed in this county is somewhat decreasing, and that the enormity of the slave trade is becoming generally recognised. Meetings to express sympathy with the struggles of the North to maintain the American union, and to abolish slavery, have been held in London, Manchester, &c., and an address to President LINCOLN has been enthusiastically adopted.

Bury Times Jan 3rd 1863

the political philosopher Karl Marx.

While the views of prominent liberal thinkers and industrialists have survived, so far in this project we have found no original local sources commenting on what the textile workers thought.

However, sources point to a vigorous campaign by some radical, Manchester-based men to support the ending of slavery in America.

A meeting of workers was called on New Years Eve 1862, to rally support for Abraham Lincoln's Emancipation Proclamation. There was passionate rhetoric and afterwards a letter of support for the Emancipation Proclamation was sent to President Lincoln 'from the workers of Manchester'. This in turn resulted in a much-quoted letter of thanks from Abraham Lincoln, and the sending of aid in February 1863..

This incident is often cited as an example of extensive support and personal bravery by Lancashire textile workers, who preferred starvation to using slave-grown cotton. But there are problems with this view.

The Free Trade Hall meeting was chaired by the radical activist and publisher Abel Heywood, then Mayor of Manchester. It is likely that the meeting was a focus for the Manchester-focused radical political movement rather than representative of Lancashire textile workers as a whole.

Terry Wyke of Manchester Metropolitan University sums up:

The reality was that, in Lancashire, opinions about the civil war were split. Some supported the northern cause and saw the leaders of the southern states as among the most evil people in the world because their wealth was based on the institution of slavery, but there was also strong support for the southern states, seeing the northern states as bullying.

Terry Wyke quoted in Manchester Evening News
<https://www.manchestereveningnews.co.uk/news/nostalgia/workers-great-sacrifice-to-help-lincoln-1239749>

Was Confederate propaganda influencing opinions in Lancashire?

The Bury Times extract (*opposite, below right*) refers to the 'perversion of feeling' in favour of the southern states that had been widespread. Who was doing the 'perverting'?

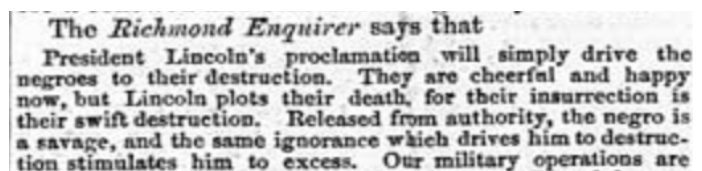
In October 1862, journalist Henry Hotze arrived in London. He was an experienced businessman and politician, and well connected in southern US society.

In London, Hotze created his own campaigning newspaper, 'The Index'. The edition quoted from below was written and circulated within 11 days of Hotze arriving in London.

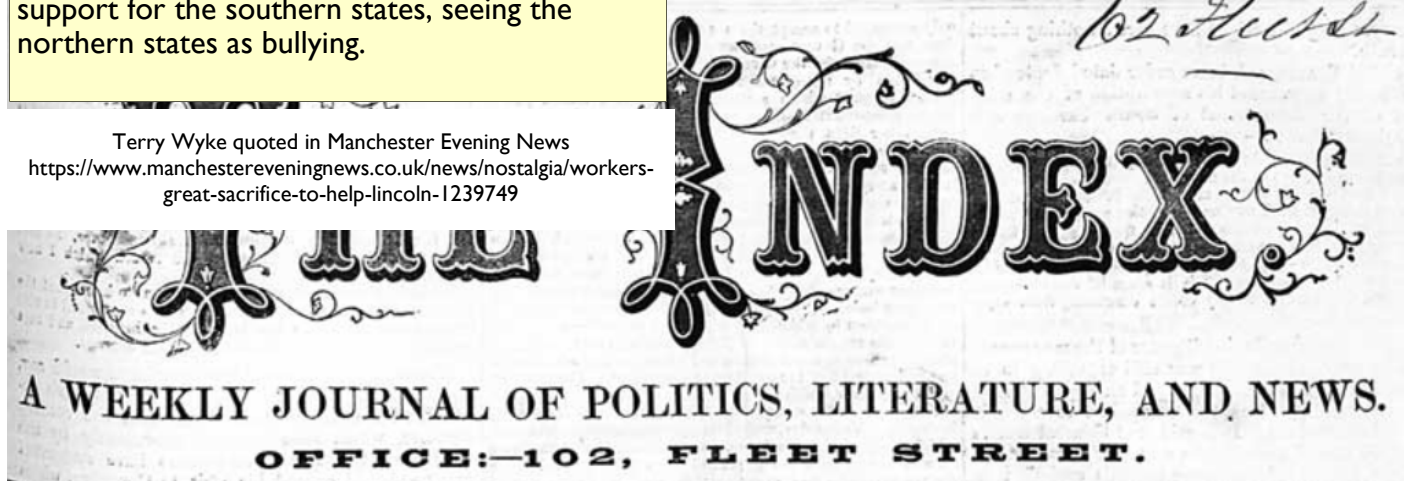
Subsequently, in November 1862, he was given funds of \$750 by the Confederate leadership who employed him to sway public opinion in Britain towards the southern cause.

This enabled Hotze to publish 'The Index' on a weekly basis, and it became popular enough to cover his business costs. Hotze employed other British journalists and paid other newspapers to publish his copy.

Provincial papers often filled their columns with articles lifted directly from elsewhere, so it would be an interesting study to identify Hotze's pieces appearing in Lancashire editions.



Extract from 'The Index', October 16th 1862, in response to Lincoln's proposals for emancipating slaves. Image: British Library online



A large workforce but only one source of work

An estimated 426,000 people worked in textile manufacture in Lancashire, with more women than men employed.

In 1860, Lancashire mills wove 4,410 million yards of cotton cloth. It was sold throughout Britain and across the globe.

Compare the directories below to see how the area grew in the years leading up to the Cotton Famine

One of the direct results of the Cotton Famine was that areas like Bury began gathering statistics on employment (see below). employment patterns.

Earning a good living depended on several family members working 60 hours a week (see separate booklet 'Work, health and the Poor Law'). Wages were regularly affected by work fines and fluctuations in hours offered.

Hundreds of communities had developed by 1861 where the only source of work was the cotton mill.

Around Bury, a distinctive distribution of employment had grown. Central Bury township had iron foundries, woollen mills and fustian mills as well as cotton mills, whereas several much smaller settlements such as Heywood had very little employment other than cotton mills.

Whellan's Directory of 1853

Area population in 1851: 80,567

50-60 cotton mills in the Bury area, plus bleachers, dyers, shuttle, bobbin, roller and reed makers.

Plus 27 woollen cloth makers and 8 fustian (mixed fibre cloth) makers.

It is not a clear-cut list. Often the same names appear in several sections of the directory. The Hardman family, for example, are listed under cotton spinning, cotton good manufacturing and woollen goods manufacturing.

Slater's Directory of 1861

Area population in 1861: 93,347

Over 200 cotton mills in the same area covered by Whellan's Directory of 1853,

20 woollen mills, 18 of which are in Bury township.

8 fustian mills, also mainly in Bury township.

Ramsbottom, Radcliffe and Heywood show a very large number of cotton textile mills for such small towns.

As with Whellan's Directory, some of the same names are repeated in different sections.



Central Heywood with cotton mills highlighted, 1846 OS map from National Libraries of Scotland website

The US and raw cotton quality

Cotton quality was gauged by the length ('staple') of the strands of fibre in the fluffy seed head.

In the early 19th century, Lancashire's mill machinery developed using mostly long-staple cotton.

In 1861, 1261 million pounds weight of cotton entered Lancashire. Over 90% of this came from the southern USA.

The plantations of the southern USA grew many varieties and qualities of cotton. Over the preceding 70 years to 1861 they had developed production systems that guaranteed quality for buyers. This system generated enormous wealth that enabled plantation to invest in improving production.

The cotton gin, patented in 1793, removed impurities so that the raw cotton bales bought by Lancashire mills required relatively little cleaning.

A sophisticated brokerage system based in Liverpool ensured US cotton quality was 'as advertised' and dealt with payments and disputes with US suppliers.

Long staple cotton was also imported from Egypt, but the quantities produced by there in the 1850s-60s were a tiny fraction the US output. It was very highly valued in its own right and as a substitute for Sea Island, a US 'extra-long-staple' cotton.

A short-staple cotton known as 'Surat' or 'Shurat' was imported from India. In Lancashire mills, Surat was usually mixed with other longer cotton fibres as a bulking agent.

In 1861, cotton picked and baled up in India was notorious for containing impurities such as gravel and stones. It was not ginned before baling, as US cotton was. It took extra time to clean and prepare for spinning, and was difficult to weave on Lancashire machines unless mixed with longer fibres.

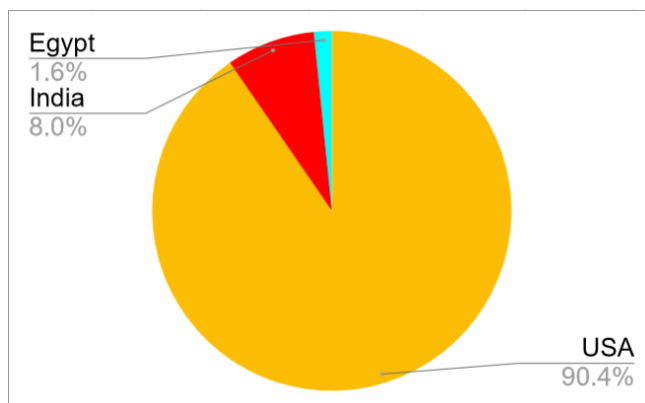
Altering plant and machinery to work with short-staple cotton could be done, but mill owners saw this as unnecessary expense, because they were hanging on until normal trade relations with the southern US resumed.



Cotton bales at a southern port, New York
public library collection

USA	51,268 bales
India	4350.5 bales
Egypt	917 bales

Cotton unloaded at Liverpool during one month, June 1860. Source: Liverpool Port Books, Liverpool Museums Online



Country of origin of raw cotton imported to Liverpool, 1861
USA, 90.4% India, 8% Egypt, 1.6%

Alternatives to US-grown cotton

Raw cotton was imported into Liverpool from many sources apart from the USA such as India, Egypt, Brazil, the West Indies and Turkey. However, in 1860 they only accounted for a fraction of the total imports.

Even India, the second largest supplier, could not immediately replace the USA's supply either in quantity or quality.

The Cotton Supply Association was aware of this danger to the supply chain even before the Cotton Famine. In 1857, they made it their mission not just to seek alternatives to slavery, but to obtain alternatives to the USA for the supply of raw cotton.

Over the next 8 years they made some progress. Working with both the Foreign Office and a parallel Turkish organisation, by 1864 Britain was importing £866,952 worth of Turkish cotton from Izmir, about 68% of Izmir's total exports. This may sound a lot, but the number of bales it represented fell way below what was needed to get back to 1860 production levels (*Orhan Kurmuş*).

The main focus of the Cotton Supply Association was India. They lobbied hard for free trade with India when it came under crown control in 1858. The Indian government, on the other hand, both wanted and need trade tariffs to raise revenue. This was especially needed as a century of East India Company overlordship had reduced Indian farmers to poverty.

However, those Indian growers who could provide cotton found a ready, unquestioning market in Lancashire after the effect of the Union navy blockade began to be felt. Despite slow and difficult transport between growers and ports, more Indian cotton began to reach Liverpool and Indian producers were making up to 400% profit (*Norman Longmate*)

But the problem was that Surat cotton was both short-staple and was adulterated, often to the point of fraud: bales containing rocks weighing several pounds are mentioned anecdotally. Surat took longer to prepare and broke constantly on machinery, causing production stoppages for which workers were fined.

“That, as the opening up of new sources for the supply of cotton has become a question of great national interest, it is incumbent upon all classes of the community to support the movement now in progress for promoting the growth of cotton in Africa, Australia, South America, the West Indies, and other countries; that, as the development of the resources of India is of vast importance to this country, it is the bounden duty of her Majesty's Government to give every encouragement to the unfettered action of private enterprise

THE SUPPLY OF COTTON.—When the most positive and ample proofs can be afforded of the power of the British colonies to produce all the qualities of cotton, from the lowest to the highest, which are needed, it is mortifying to hear that there are cotton spinners and brokers perversely asserting the necessity of depending still upon American cotton supplies, and unworthily and undeservedly disparaging Indian, African, and other cottons. Intelligence, enterprise, and perseverance will obliterate this calumny, and leave unenviable detractors in possession of those funds which it is their immediate object to save and retain, and their consciences will be unburdened by any pecuniary service rendered to the production of a material which has enriched

Bury Times January 1862, columns filled straight from the Cotton Supply Association's letters

The Cotton Supply Association convened a London conference in August 1862 and invited representatives from current and potential cotton-producing countries to attend, but the conclusion reached was that no readily-viable alternative to India existed. The remainder were too under-developed in terms of government and infrastructure, or had developed other lucrative crops such as sugar, or in the case of Australia were just not interested in low wages.

Despite the considerable efforts of the Cotton Supply Association to force changes in managing (or rather, controlling) cotton production in India, no changes came during the Cotton Famine years.

The changes that made a difference in 1863-64 were technological, enabling Surat cotton to run smoothly on Lancashire mill machinery, but at a human cost (see page 10).

The idea that there was a gap in the market for long-staple cotton led to frantic pace of plantation and transport expansion in Egypt, but this would not have a major impact on imports into Lancashire until much later in the 19th century.

India in focus during the Lancashire Cotton Famine

The Mughal rulers of India had enjoyed immense wealth based on the resources of their territories. This was diverted into the East India Company's profits as its grip on the subcontinent tightened.

As the Cotton Famine started, India was in its third year of a new government, known as the British Raj.

British administrators replaced East India Company employees, ruling 'in the name of the Crown'. Charles Canning was appointed Viceroy and Edward Stanley, son of Lord Derby, became Secretary of State for India.

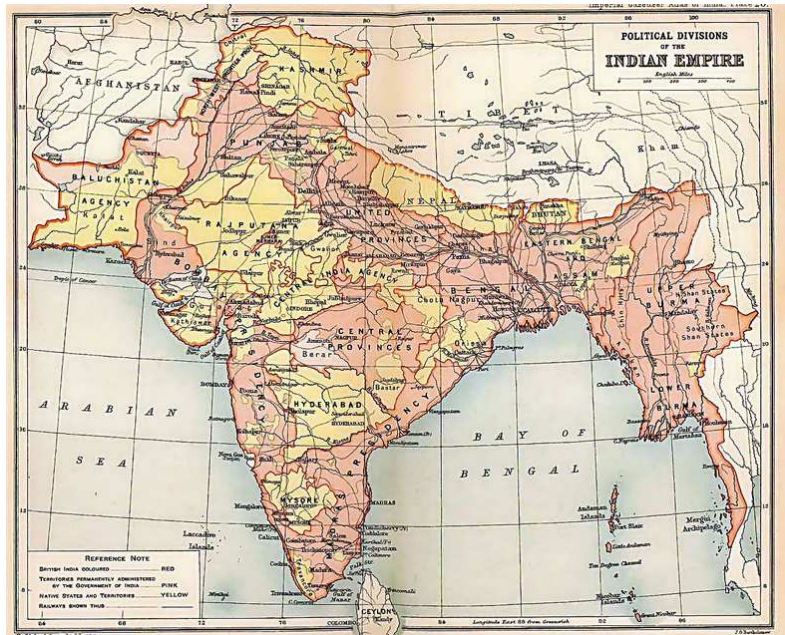
The British Raj carried on with the process already started by the East India Company. This worked well for the British government but effectively undermined India's own economic development.

At the start of this new regime, India had a growing number of steam-powered cotton mills, based around Bombay and Ahmedabad. The port at Bombay enabled Indian-spun yarn to be exported round the Pacific, with China being a major buyer (*Vijay K Seth*).

The sudden upsurge in demand by Lancashire in 1861 diverted the focus in India into exporting the raw cotton. There were vast profits to be made, which would theoretically enable more mill-building, but the downside was that when the American Civil War ended in 1865, the price per bale fell sharply. It took about eight years for Indian business confidence in cotton manufacture to recover.

In the later 19th century and early 20th century cotton manufacture was to emerge as a core issue of the independence movement in India.

Below: woven in Lancashire, worn in India. Lancashire mills made gold-embellished sari cloth for sale in India. Weavers had to buy the gold thread to put into shuttles for this work, being remunerated when lengths were complete.



Exports from Britain to India

Average £18 million pa

Cotton 'piece goods' accounted for 60% of this

eg bleached, printed cotton cloth, speciality cloths such as dhoti and sari

Imports from India to Britain

1858 £15 million

1861 £22 million

1864 £52 million

About 19% of this was made up of raw cotton

Source: RC Roberts-Gawen MA thesis

Above: 1858-1862: Britain and the early years of the British Raj, showing the peak in raw cotton exports at the time of the Cotton Famine



Surat and steaming up: a fatal combination

The basic principle of 'steaming-up' is shown in the photo from Condair systems, on the right.

The Lancashire cotton industry had always known that extra humidity helped cotton yarn to run more smoothly in machinery.

At the time of the Cotton Famine, the mills that were to have a future began adapting their weaving sheds by adding steam to the working atmosphere.

This was done for several reasons. In part it was because a lesson was learned about over-reliance on US-grown raw cotton.

When these were cut off in 1861, Lancashire had to fall back on other sources, chief of which was Surat, or Indian, cotton.

Surat was a short-staple cotton. In normal times it was mixed with long-staple cotton varieties to make it workable. Some machinery could be modified to use Surat, but weaving proved very hard due to regular breakages and tangles.

Workers were fined for every fault and every machine stoppage. Both take-home pay and productivity plummeted as a result of weaving with Surat alone.

Manufacturers knew that raised humidity in weaving sheds would keep Surat from breaking as readily. But introducing modifications to 'steam up' would cost money, and even those who could afford it hoped to avoid making the changes.

By 1863 increasing numbers of mills began modifying their weaving sheds. They were prompted by the increased amount of Surat cotton arriving at Liverpool, balanced against there being no end in sight to the Civil War in America.

Although poverty was alleviated by the return to work, it came at a the price of workers' health. There was no concept of water hygiene in the humidity systems of 1863, and bacteria accumulated in the humidifiers.

Most mills were not ventilated. Tuberculosis was widespread and the general health of cotton mill workers was not good at the best of times, but they had just endured two years of poor nutrition. An immediate consequence of the return to work in steamed-up mills was a rise in respiratory diseases among mill workers.

In the 1860s doctors knew tuberculosis was contagious but did not understand how the



Condair Jetspray: additional humidity is used in many industrial applications in the present day

infection spread. Contracting 'consumption', as tuberculosis was commonly known, was associated with moral choices and personal responsibility, or even seen as inherited at birth.

From 1870 onwards concerned Medical Officers of Health began studying the problem of tuberculosis in mills. Their conclusion was that the cause was overheated workers going out into cold weather. This led to agreements to monitor and control humidity levels, but not an end to the practice of steaming-up.

One of the purposes for some future survey of the mills of the Bury area would be to identify which mills were introducing humidity and to link this with Medical Officer of Health reports of respiratory disease levels. That is however beyond the scope of this project.

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