

E. AFRICA

31140

Cotton from
Kenya

1917

19 June

last previous Paper.

M.R.
311444

Shipment of Cotton to U.K.

Copies sent regarding discussion of packing
 among four new ports per M. of Shipping. &
 send copy letter addressed to M. of Shipping re
 the subject.

To Mr. Hallinan, Sir G. Fiddes

The letter addressed to the Ministry
 of Shipping is sent to our officially
 to 31143. There is the usual over-
 statement (based on great ex-
 act figures) as to the importance
 of cotton to E.A.P. and agenda.

I do not think we can do
 anything more till we have a
 reply from the Ministry of
 Shipping to our letter on 31144.

We are not yet in a position to
 check Mr. Hallinan's figures as to
 the amount of Uganda cotton

available & the 25,000 bales mentioned

Next subsequent Paper.

M.R.
311444

probably include a great deal not
concerned — or include the whole
of the new crop.

The history of Slipping may say
we will undertake to carry their cotton
to them the quantity, or half the time,
from America, since Lancashire need
is so urgent. Why should not Uganda
cotton, or most of it, go to India?

We know that
they are now
desirous to give
to Atlantic
pperman

One answer to this is that we do not
look to base our Lancashire Cotton
but the Association's answer would be
stronger. He is very bitter on the
Indian cotton duty question & he
would be very reluctant to see the
industries which the Association has
created or assisted stand for
the improvement of the position of
the Indian manufacturers.

I submit this with to the
B.C.G.A.

W.L.S.
20.6.19

We must recognise one thing; that the
Association's interests in this matter
do not necessarily coincide altogether
with those of the Lancashire industry.
As Mr. Bottomley points out, the needs
of Lancashire might be met by special

shipping facilities from America. The
118
Shipping Controller might well be able to
arrange this although he could not give
facilities for shipment from Africa. In any
case the whole of the African crop would go
out a little way to meet Lancashire's needs.

But the most copious shipment from
Somalia would not help the B.C.G.A.
They would still be powerless to market
most of the crops which they have bought
or which they have borrowed from the bank.
They would be unable to make any more
purchases until they had realised the
stocks for which they are already committed
and, if this desperate situation continued
they would have to suspend operations
altogether.

We must then be prepared for the
possibility that the Shipping Controller
will say that he can meet Lancashire's
needs without bringing home the African
crops. If he does so, H.M.G. will be
faced with the problem of saving the

B.C.G.A. from ruin, and the native
African cultivator from a disengagement
which may have lasting effects. By some
other means, such as purchasing the
crops or financing for a time the operations
of the B.C.G.A. But the shipping position
must be got clear first.

FAB

20-6-17.

P.J.B.

20/6/17

I am afraid that the H. & Shipping
has a conclusion answer (from his point of
view) at the P. & S. will realize he will
need not be referred to in the paper.

P.S. 2/6

I agree. There is nothing more
to do on this paper and we must
await the finding of an interview by
the Shipping controller. There is no
advantage but a positive disadvantage
in any prior private interview between
us and the B.C.G.A.

As.D. 21-6.

P.M.

21st. 7

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for B

20.6.17.

A. J. H.

20/6/17

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Ans. 21/6

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in any prior private interview between
us and the B.C.G.A.

Ans. 21.6.

A. J. H.

21.6.17.



TELEGRAPHIC ADDRESS:
MR. MANCHESTER
SOCIETY
E.D.C. CO. LTD.
TELEPHONE 11532, CITY

15. CROSS STREET,

MANCHESTER.

20

June 19th 1917.

P. G. A. Butler, Esq., C.B.,
Colonial Office,
LONDON?

Dear Butler,

We had a Meeting today about this question of the shipment of cotton, and the Executive Committee take a very serious view of the whole position, and they think it would be most useful if we could have a private meeting to discuss the question generally, and I enclose copy of the telegram sent to you today.

I think in dealing with this question we have got to take it up on broad grounds and not piece-meal as affecting Nyasaland or Uganda or wherever it may be. The two main factors we cannot run away from are:-

1. Unless some arrangement is made about this season's crop it will be impossible for anybody to buy next season's crop and this may cause serious trouble in the Colonies.
2. It will also cause serious trouble in Lancashire if it is realised that during the present serious shortage of cotton the Government have prevented the shipment of cotton from our Colonies.

I hope you may be able to arrange for a conference as suggested; probably Mr. Grapper and Mr. Jackson would accompany me as representing the Association and I would also try to get Mr. C. F. Woodham, M.P., who is quite the best of our legal representatives in Parliament.

Our idea is to discuss the question in a preliminary way in order if possible to arrive at some conclusion which will meet the difficulty.

I heard indirectly that Lord Harcourt was to be the

chairman of this Committee which is to be appointed to consider the whole question of the Development of Cotton Growing. It might be useful to have him there also, but we must of course leave the whole matter to the power that be to decide what is the best course of action.

I enclose half a dozen copies of the letter we sent to the Shipping Controller.

Yours sincerely,

Enclosure:

Y:

reducing of techniques and of all forms of tillage and to maintain
existing methods of management and to increase yields and
to secure an early and even stand of cotton and to obtain
obtains of seed cotton equal to those of the best foreign and even
more so than can be secured under similar conditions.
Yours very truly
A. W. HARRISON

President

Information

17

COPY OF TELEGRAM.

THE BRITISH COTTON GROWING ASSOCIATION, 15, Cross Street, Manchester.

We beg to confirm Telegram sent you this day as follows:—

TO

20

17

191

FROM

COPY OF TELEGRAM.

From The BRITISH COTTON GROWING ASSOCIATION, 15, Cross Street, Manchester.

We beg to confirm Telegram sent you this day as follows:—

122

191

TO

Office
also
question
therefore
thus

Bawde

to you
Franchise
not urgent
which
Thursday
this

FROM

COPY OF TELEGRAM

60

The BRITISH COTTON GROWING ASSOCIATION, 15, Cross Street, Manchester.

We beg to confirm Telegram sent you this day as follows:—

123

TO {

time: in answer east and done
or Friday morning please telegraph
as possible

191

FROM Hutton care increase, Manchester

15 Cross Street,

MANCHESTER.

June 18th 1917.

The Controller of Shipping,
Shipping Ministry,
St. James' Park,
LONDON.

Sir,

We have received a cable from Mombasa stating that orders have been given that no more cotton can be shipped.

2. This is a most serious matter for it is roughly estimated that there are over 25,000 bales of Uganda cotton unshipped representing a money value at today's prices of nearly £1,000,000.

3. Uganda Cotton is solely grown by natives on their own account and is sold by them for cash to European and Indian Merchants, who have obtained the necessary funds from their Bankers. If the cotton cannot be shipped it will be impossible for the Merchants to repay the Banks. Most of the cotton has been covered by sales of "Futures" in the Liverpool Market, and if the cotton is not shipped these contracts cannot be fulfilled which will involve the Merchants in very heavy losses.

4. There is therefore great danger that many of the Merchants will be unable to meet their obligations and will be forced into liquidation. We must also point out that even if the Merchants are able to avoid liquidation, if the cotton cannot be shipped it will be impossible for them to obtain further funds to buy the 1917/1918 Crop. If the natives are unable to sell their crop, it is more than probable that they will lose all confidence in cotton as a money crop and this new industry which has taken so many years to build up will be destroyed. If this were to happen it may be impossible ever to revive it.

5. We should also point out that Cotton is now the most important export crop in Uganda, and the prosperity both of Uganda and British East Africa largely depends on the success or failure of the crop. If the cultivation of cotton were to cease the revenues of...

both these Colonies will be most seriously affected and large grants-in-aid from this Country will be required to enable the local governments to meet their annual expenditure. In 1910/15 the following grants-in-aid were paid from Imperial Funds:-

	1900-1	1905-6	1910-11	1914-15
East Africa Protectorate	227,000	214,000	130,000	Nil (No grant since 1912-13.)
Uganda	204,400	103,000	95,000	10,000

Both Uganda and British East Africa are now self-supporting and this is largely due to the successful establishment of cotton-growing in Uganda as a native industry.

6. There is also another very important point which deserves most careful consideration. If the natives are unable to find a market for their cotton there will be serious trouble and dissatisfaction, which might even result in rebellion. In this connection it must be remembered that our hold on these countries rests on a very slight basis, and although we are able at present to hold our Crown Colonies in Africa with a handful of troops, it would require a very large number of troops to reconquer them, if once they were lost.

7. We must also draw your attention to the fact that there is a most serious scarcity of cotton in this Country, as the present stock in Liverpool amounts to only about 4 or 5 weeks consumption. Uganda cotton is particularly useful at the present moment as it is being used to supplement Egyptian Cotton of which there is a very short supply. This is clearly shown in the big rise in the Liverpool prices, as follows:-

	Jan. 2nd.	June 18th	Increase
Egyptian F.C.P.	17.55	26.60	8.95
Middling American	10.66	17.00	6.34

Uganda cotton today is selling at about 22d to 24d per lb.

8. The present outlook in Lancashire is a most serious one, for unless more cotton can be obtained most of the mills will be compelled to stop and the operatives will be thrown out of work. There is also the serious danger if the mills once stop that many of them will ...

never start again, for our competitors in India, the United States and Japan are already capturing much of our trade, which it will be most difficult if not impossible to recover.

9. One hardly likes to contemplate what may be the results of a serious stoppage in Lancashire. The sufferings during the terrible cotton famine of the "sixties" were patiently submitted to, but it by no means follows that the operatives will suffer with equal patience today. There is as you are aware a great deal of unrest and dissatisfaction with the existing conditions, and if we are to have seriously reduced wages or no wages at all coupled with high prices of the necessities of life, there may be most serious trouble. We think it only right to inform you that there is very bitter feeling here about the unfair treatment of Lancashire in connection with the Indian Cotton Duties, and there is growing dissatisfaction at the delay in dealing with the representations made to the Government on February 8th for developing the growth of cotton in the Empire. It is perhaps no exaggeration to say there is a feeling growing up that the Government are indifferent to the interests of Lancashire.

10. All the points we have mentioned in connection with Uganda apply with equal force to Nigeria, the Sudan, and Nyasaland, and we strongly urge that immediate consideration should be given to the whole question. It is quite bad enough to stop the shipment of the cotton-seed, but in our opinion it will be a fatal mistake to stop the shipment of the Cotton-lint as well. We therefore urge that cotton should be placed on the preferential list, and certainly should be given a preference over articles like Sisal, Sim-Sim and Rubber, and bees-wax. We mention these articles for the almost incredible statement has reached us that permission has just been granted in Mombasa to ship them in preference to cotton. One great advantage of cotton is that it is an easy cargo to handle and occupies comparatively small space in comparison with the value. Uganda cotton is worth today about \$110 per ton weight, and the ton weight will occupy about 80 cubic feet or 2 tons measurement.

One fair sized tramp steamer of say about 5,000 tons could clear the whole of the existing stock of Uganda cotton. We cannot make it too clear that if a preference is given to cotton in our African Colonies, it will not mean giving up a very large amount of steamer space.

11. We trust that you will give this matter your immediate attention and we confidently hope that you will see your way to place cotton on the preferential list.

127

We are,

Your obedient Servants,

THE BRITISH COTTON GROWING ASSOCIATION.

(Signed:) V. Arthur Hutton.

CHAIRMAN.

h.s.
31170

S.A.F.

128

80

22 June 1917

DRAFT.

The Chairman

B.C.G.A.

MINUTE

Mr. Bowring 19 20/6/17

Mr. Shatto 20

Mr. Grindall

Mr. Lambert

Mr. Read 20/6

X Sir G. Fidler 21

Mr. Steel-Maitland

Mr. Long

for time

31143

of the 18th of June on
the subject of the
disposition of the agenda
cotton crop.

2. You telegram to
be communicated to the
Shipping Committee, and it
is to also be
stated to
suggest them that
to avoid receiving a
reputation from ~~the~~ ^{the B.C.G.A.}
foreign at the
earliest possible date on

higher Dept. to see.

be subject of the
provision of facilities
for the shipment of
cotton to this country.

9

— — —

be subject of the
process of facilities
for the shipment of
cotton to this country.

9

mm

N.B.—This Form must accompany any inquiry respecting this Telegram.

POST OFFICE TELEGRAPHS.

If the Receiver of an Island Telegram doubts its accuracy, he may have it repeated on payment of half the postage paid for its transmission, any fraction of 1d. less than 3d. being reckoned as 1d.; and if it be found that there was any error the amount paid for repetition will be refunded. Special conditions are applicable to the repetition of Foreign Telegraphs.

of Origin and Service Instructions

Characteristics Q

Charges
to pay

Banded }
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Arrived } 14 5 3 a

0 [B - 161] 1st class office air
and for flight and arrival
should have now reached you
by telegraph air speed
without fee & with shipping
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the box



THE BRITISH COTTON



GROWING ASSOCIAT.

TELEGRAPHIC ADDRESS
COTTON MANCHESTER
TELEGRAMS
AND A CODE USED
TELEPHONE NO 5732, CITY.

15 CROSS STREET.

MANCHESTER

13

June 20th 1917.

F. G. A. Butler, Esq., C.B., C.M.G.,
Colonial Office,
LONDON. S.W.

Dear Butler,

Many thanks for your telegram which I received this morning. I certainly do not think it is of any good taking this question up in a piecemeal manner, and we shall be very glad to fall in with anything you arrange ^{about} over the meeting, either at the Colonial Office or with the Controller of Shipping.

I cannot understand about my letter not having reached you, so I enclose herewith copies of the following communications which have been sent during the last few days:-

1. Telegram dated June 16th despatched to the Secretary of State, Colonial Office.
2. Letter dated June 18th, sent to The Under Secretary of State
3. Letter dated June 18th, sent to the Controller of Shipping
4. Telegram dated June 19th sent to "Butler", Colonial Office, London
5. Letter dated June 19th, sent to F.G.A. Butler, C.B., C.M.G., Colonial Office.
6. Telegram dated 20th June, despatched to "Butler", Colonial Office, London.

I hope to hear from you shortly as to what has been arranged for it is by no means an easy matter for business men to make arrangements to go to London. For one thing we are all very much short-handed and find it difficult to get away from our business, and ~~the~~ trains are less frequent and much slower, and very much crowded; in addition there is the really serious difficulty of finding hotel accommodation in London.

Yours sincerely,

Arthur Hallay

COPY OF TELEGRAM DATED JUNE 16TH, 1917 DISPATCHED
TO THE UNDER SECRETARY OF STATE, COLONIAL OFFICE,
LONDON.

- * URGENT AND CONFIDENTIAL STOP UNDER STATED SHIPPING
* CONTROLLER PREPARED RECONSIDER SHIP TO UGANDA
* COTTON STOP VITAL IMPORTANCE TO LANCASHIRE FIRM
* COTTON SHOULD COME TO LIVERPOOL THENCE URGENTLY
* REQUIRED Owing DERIVED SHORTAGE AS ONLY ABOUT
* ONE MONTHS SUPPLY IN STOCK AND MILLS ARE NOW
* SUFFERING Owing LACK OF RAW MATERIAL AND SOON
* MAY NEVER START AGAIN EVEN AFTER THE WAR STOP
* IF UGANDA COTTON SHIPPED TO BOMBAY THERE MAY
* BE SERIOUS TROUBLE HERE AS IT WILL REOPEN THE
* INDIAN COTTON CONTROVERSY WHICH THERE
* MAY ALSO BE TROUBLE IN UGANDA IF DIVIDED CONTROLLED
* WITHDRAW FROM MARKET STOP CONSIDER COTTON OR UD
* HAVE PREFERENCE OVER SICIAL QUANTITY AND NUMBER
* NEW LANCASHIRE FIRM BE MOST GRATEFUL IF YOU WILL
* GIVE THEM YOUR PERSONAL AND PROMPT ATTENTION."

* HURRY *.

21

C O P Y.

133

June 18th. 1917.

The Under Secretary of State,
Colonial Office,
LONDON. S.W.

Sir,

I beg to enclose herewith a copy of a
letter which we have today sent to the Controller of
Shipping.

I am.

Sir,

Your obedient Servant,

(Sd), J.A.Hutton,

CHAIRMAN.

H.A.
Enc

15 Cross Street,

MANCHESTER.

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Shipping Ministry,
St. James' Park,
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5. We should also point out that Cotton is now the most important export crop in Uganda, and the prosperity both of Uganda and British East Africa largely depends on the success or failure of the crop. If the cultivation of cotton were to cease the revenues of...

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-4-

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We are,

Your obedient Servants,

THE BRITISH COTTON GROWING ASSOCIATION.

(Signed: J. Arthur Hutton.

CHAIRMAN.

BRITISH COTTON GROWING ASSOCIATION
(Incorporated by Royal Charter).

COPY OF TELEGRAM DATED 19/6/17 DESPATCHED TO F.G.A. BUTLER,
ESQ., C.B., C.M.G., COLONIAL OFFICE, LONDON.

133

"REVERENCE OUR LETTER OF YESTERDAY COULD YOU ARRANGE
"PRIVATE CONFERENCE FOR THREE OR FOUR REPRESENTATIVES
"COTTON GROWING ASSOCIATION REGARDS SHIPMENT OF
"COTTON WITH REPRESENTATIVES COLONIAL OFFICE AND
"SHIPPING CONTROLLER POSSIBLY ALSO BOARD OF TRADE STOP
"QUESTION IS REALLY MOST URGENT THEREFORE SUGGEST THREE
"OCLOCK THURSDAY THIS WEEK OR IF THIS TIME INCONVENIENT
"ANY TIME THURSDAY OR FRIDAY MORNING PLEASE TELEGRAPH
"SOON AS POSSIBLE.

"HUTTON" C/o INCREASE MANCHESTER.

H.M.