

# History Internal Assessment

Guiding Question: How did the Export of Southern Raw Cotton to Great Britain Influence Its Willingness to Recognize the Confederate States of America as a Sovereign Nation?

IB History of the Americas

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## Section A

This paper seeks to investigate the question: *How did the Export of Southern Raw Cotton to Great Britain Influence Its Willingness to Recognize the Confederate States of America as a Sovereign Nation?*. It is well-known that the southern United States is a largely agrarian region of the nation, and further that the economy of these states has, since the colonial era, been heavily dependent on the exportation of various 'cash crops'. Cotton, the crop with which the 19th century south is most associated, became the staple export of the region, and indeed may be argued to have kick-started or at least supported the lucrative textile industry of Great Britain. In this paper I examine the economic codependency of the Antebellum South (and subsequently the of the Confederate States of America [CSA]) with Great Britain, and the effects of this relationship on the prospect of the British Parliament's diplomatic recognition of the CSA as a sovereign nation. To do this, I shall rely on the vast contemporary records of exports and manufactures, the body of post- contemporary literature regarding the relations of both nations, and the large base of correspondences and personal records of those involved.

A source that shall be relied upon heavily in assessing the economic reliance of the Antebellum South on cotton in the decades leading up to the war is Douglass C. North's *The Economic Growth of the United States 1790 - 1860* (1966). In this book, North argues that the critical period of economic development in the United States, contrary to the accepted narrative at the time, which supposed it to have taken place in the reconstruction era or later, in fact occurred between the years 1790 and 1860. Though this argument is outside the scope of this paper, it should be noted that this source is far from modern, and is likely to include some outdated information or analysis, as is the nature of the field. The work has, however, maintained relevance into recent years through the fact that it provides vast quantities of data, compiled from various other sources, regarding the economic state of the nation, and specifically the South, which are readily available for analysis and interpretation.

For contemporary reference on the diplomatic affairs of the CSA with Great Britain during the Civil War, I have found *The Messages and Papers of Jefferson Davis and the Confederacy, Including Diplomatic Correspondence, 1861-1865* to be an excellent primary account of the Confederate perception of diplomatic prospects in Great Britain. This source provides a near-comprehensive record of the reports sent from the ambassadors of the CSA in Britain and received by the officials of the nation. The value of this source is difficult to understate, as it provides ample contemporary evidence for the state of affairs between the two parties on which this paper shall focus, and further contains much reference to the role of cotton in these

affairs. The obvious limitation of this source comes from the fact that, though skilled diplomats, the authors of the letters and reports contained within the source were heavily biased towards the Confederacy, and as such their perception of the prospect of British intervention often failed to reflect the truth of the matter.

## Section B

<sup>1</sup> On the eve of the American Civil War, U.S. cotton accounted for over 88% of the cotton imported into Great Britain.<sup>2</sup> This cotton was, as noted by Joseph Inikori, the key to the English economy in the mid-19th century:

Indeed, «the Industrial Revolution» in England, in the strict sense of the phrase, is little more than a revolution in [...] cotton textile production.<sup>3</sup>

On the other side of the Atlantic, in the continental United States, in the time leading up to the war, the amount and value of exported goods skyrocketed, and, though by 1860 the percentage of the total value of exports that cotton represented was lower than it had been in 1851, it was at an all-time high in terms of dollar-value (Figure B.i). The importance of this economic relationship for the Confederate cause was not lost on the rebelling states, and unquestionably played a significant role in their foreign policy towards England throughout the course of the war. However, the extent to which this was an effective diplomatic strategy is not comparably evident, and is the central focus of this investigation.

In terms of end goals, the CSA had two when it came to diplomacy with the English: (1) an official recognition of the sovereignty of the nation, with the understanding that this would lead to mediation of the conflict by Britain, and (2) the removal of the Union naval blockade on Southern ports.<sup>4</sup> It is the latter issue's nature terms of international law, and effects on the cotton exports of the south, that would play the most significant role in the Anglo-Confederate relations during the early war, as it presented a goal which was «much more likely to be obtained within a reasonable time» than recognition.<sup>5</sup> Though this issue does not directly

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1. Data in Figure B.i: Total exports: House of Representatives U.S. Congress, *H. Misc. Doc. no. 49* (48th Cong., 1st. sess., 1884), Part 2, Table 2; Cotton exports: Douglass Cecil North, *The Economic Growth of the United States 1790 - 1860*, The Norton Library 346 (New York: Norton, 1966), Table A-III, ISBN: 978-0-393-00346-8.

2. Ronald Bailey, "The Other Side of Slavery: Black Labor, Cotton, and Textile Industrialization in Great Britain and the United States," *Agricultural History* 68, no. 2 (1994): 40, ISSN: 00021482, 15338290, accessed November 1, 2024, JSTOR: [3744401](https://www.jstor.org/stable/3744401), <http://www.jstor.org/stable/3744401>.

3. Joseph Inikori, *The Slave Trade and Revolution in Cotton Textile Production in England*, quoted in Bailey, 40.

4. James McPherson, *Battle Cry of Freedom: The Civil War Era* (Oxford University Press, 1988), 383; W.L. Yancey and A. Dudley Mann to Secretary of State R. Toombs, July 15, 1861, in: Allan Nevins and James D. Richardson, eds., *The Messages and Papers of Jefferson Davis and the Confederacy, Including Diplomatic Correspondence, 1861-1865*, vol. II (New York, Chelsea House-R. Hector, 1966), 45, <http://archive.org/details/messagespapersof2conf>.

5. John Slidell to Secretary of State R.M.T. Hunter, September 26, 1862, in: Nevins and Richardson, *The Messages and Papers of Jefferson Davis and the Confederacy, Including Diplomatic Correspondence, 1861-1865*, 187.

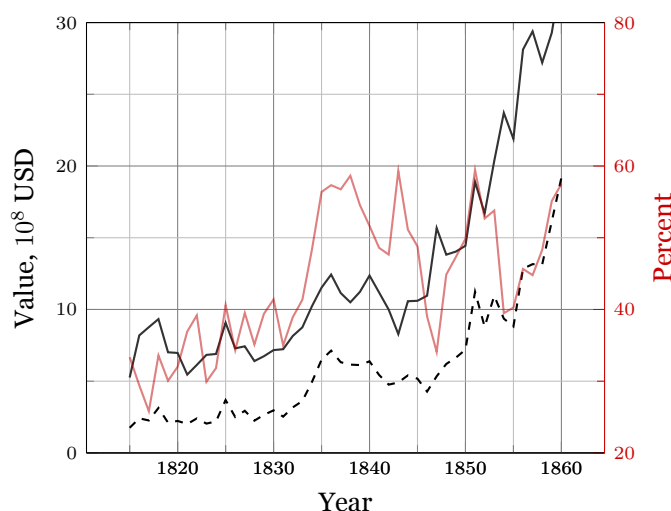


Figure B.i: Total value of exports from the United States (—) and total value of raw cotton exports (- -); Percentage of total value of U.S. exports coming from cotton (—).

relate of the answer of the question regarding the role of cotton in the recognition of the CSA as sovereign by the English, it does shed light on a crucial, yet heretofore non-established, piece of this investigation: the importance of cotton in Anglo-Confederate diplomacy.

Indeed, the main tactic employed by southern diplomats in attempting to secure British condemnation of the blockade was a stressing of the English dependence on the south's cotton exports. This emphasis was reciprocated by some members of the Parliament, the most influential of whom was the Lord John Russell, although during the time of the blockade issue he did not yet firmly hold that an interventionist policy should be that of Whitehall: «It will not do for England and France to break a blockade for the sake of getting cotton».<sup>6</sup> The discourse regarding intervention in the blockade during these years developed a precedent for the relations of the two powers, made explicit by Prime Minister Palmerston in his response to Russell,

[...] the want for cotton would not justify such a proceeding, unless, indeed, the distress created by that want was far more serious than it is likely to be.<sup>7</sup>

The Prime Minister's assertion of the relatively low want for cotton caused by the blockade would, in

6. Russell to Palmerston, quoted in Ephraim Douglass Adams, *Great Britain and the American Civil War*, II vols. (Longmans, Green & Co. Ltd., 1925), Vol.I, p.199. There are two possible readings of what Russell said here, resting on one's interpretation of the phrase "It will not do". I have chosen to understand it, as I believe fits most reasonably within the context of the quote, as indicative of Russell's reservations regarding the breaking of the blockade, rather than a feeling that this action does not go far enough.

7. Adams, Vol.I, p.199.

the late months of 1862, be challenged. Around this time, what is referred to as the ‹Lancashire cotton famine› was beginning to take hold, and this event is to be the arena in which any serious evaluation of the role of cotton in British recognition of the CSA is to be truly tested. The famine (referred to as such due to the lack of cotton supply, rather than any true mass starvation event) has been extensively covered by numerous works, and there exists a large corpus addressing its origins and implications for the economy, but the interpretation of these seems to greatly differ across sources.

An accepted view of the cotton famine may be found in Arnold, *The History of the Cotton Famine, From the Fall of Sumter to the Passing of the Public Works Act*, a commonly cited work detailing the event, which presents a picture of a rapidly stagnating goods market in Lancashire.<sup>8</sup> The all-time highs reached by cotton imports in the 1859–60 fiscal years, which were an attempt to correct for the lack of production by the English textile manufacturing industries caused by the mild economic depression in the mid 1850s (reflected in the dip in exports in the same period of Figure B.i), were, in many respects, an overcompensation. The demand for the goods produced by these mills, mostly coming from the far-eastern markets, was vastly overestimated, and as a result the start of the war saw a record surplus of cotton sitting idle in British harbors.

The great surplus of cotton was, somewhat counterintuitively, advantageous to those who ran cotton manufactures. The speculative market for cotton, which had long been a profitable venture, soared with the rising prices caused by the diminished supply from the Southern states. However, the situation was not entirely so benign —the period of frantic production and establishment of new mills was, by late 1861, at an end, and this naturally led to a contraction of the Lancashire operative population (500–600 thousand<sup>9</sup>). This contraction of the operative labor force led to a sharp increase of people in need of social safety, through ‹poor relief›<sup>10</sup>, as well as to a large mass of former industrial workers migrating to non-industrial districts.<sup>11</sup> Moreover, an increased rate of mortality in the districts affected by the cotton famine, as reported by Arthi, Beach, and Hanlon, “Recessions, mortality, and migration bias: Evidence from the Lancashire cotton famine,” added more attention to the war, due to the (somewhat erroneous) English attribution of much of the blame for the downturn on the Union<sup>12</sup> —If there were any time in which the Parliament were to feel a great enough pressure from the working-class to prompt their willingness to intervene in the American Civil War, it would have been this stage in the cotton famine.

8. Arnold, *The History of the Cotton Famine, From the Fall of Sumter to the Passing of the Public Works Act*, 78.

9. Adams, *Great Britain and the American Civil War*, Vol.II, p.13.

10. *Ibid.*, 12

11. Vellore Arthi, Brian Beach, and W Walker Hanlon, “Recessions, mortality, and migration bias: Evidence from the Lancashire cotton famine,” *American Economic Journal: Applied Economics* 14, no. 2 (2022): 228–255.

12. Arnold, *The History of the Cotton Famine, From the Fall of Sumter to the Passing of the Public Works Act*, 229.

This pressure, however, would never materialize. The general blame placed upon the Union for the plight of the Lancashire manufactures industry did not, as one may expect, correspond to a popular push for intervention, recognition, or, indeed, mediation of any sort, in the American war. In fact, it is of note that there was a general fear among the cotton magnates of the county as to the sudden flood of Southern cotton into the already overloaded English ports.<sup>13</sup> Remarkably, the cotton famine was less a lack of cotton in Britain, in fact their stores of both raw cotton and cotton-derived goods were higher than previous years going into the famine, but more so a lack of a suitable market for these stockpiled goods. Because there was more than enough supply in the domestic stock, the mills which had seen frantic expansion and production just a year earlier were now either temporarily shut down, or running only part-time. The lack of production in these goods did, however, lead to a rise in prices<sup>14</sup>, and was another economic blow to the already unemployed and impoverished former operatives.

Along with the rising prices associated with the stagnant production of textiles, as the cotton famine bore on, the stocks rapidly diminished, and prices rose further—a source of cotton was needed, and through 1863, the blockade was making itself known. One would naturally expect this to cause an increase in interventionist sentiment among urban industrial workers, however this was not the case.<sup>15</sup> Rather, the situation was, as Arnold presents, that

the surplus production of 1859-61 had been consumed, and the over-fed markets had digested the glut of goods that had been forced upon them. [...] The Famine was past; from henceforth as cotton came into our ports it would not, as it had done, accumulate there. Whatever might be the price, it would still find its way to the mills.<sup>16</sup>

It is thus that the meaningful hope of British recognition of the southern states as an independent sovereign nation faded from national discourse. With the famine gone, and thereby the immediate want for cotton being lessened, along with the Union's addition of the abolition of slavery to its stated aims, the Palmerston government was no longer in a position which even slightly justified recognition in the eyes of the public.<sup>17</sup>

It is as such that I shall posit my final claim: Though Britain did not recognize the sovereign character of the southern states, and though, even at the height of the Lancashire cotton famine, there was no serious push from the urban industrial populations to do so, it is evident that the several actualized steps taken by

13. Adams, *Great Britain and the American Civil War*, Vol.II, p.11.

14. *Ibid.*

15. Brent J. Steele, "Ontological Security and the Power of Self-Identity: British Neutrality and the American Civil War," *Review of International Studies* 31, no. 3 (2005): 519–540, ISSN: 02602105, 14699044, accessed November 1, 2024, JSTOR: [40072087](https://www.jstor.org/stable/40072087), <http://www.jstor.org/stable/40072087>.

16. Arnold, *The History of the Cotton Famine, From the Fall of Sumter to the Passing of the Public Works Act*, 331.

17. Steele, "Ontological Security and the Power of Self-Identity: British Neutrality and the American Civil War."

the administration were directly and substantially influenced by their preestablished economic dependence on the south's raw cotton production. I shall also note that this claim does not seek to attribute to cotton the state of British neutrality, rather I simply state that many of the most prominent pushes for recognizing the Confederacy arose from concerns regarding cotton.

In his *King Cotton Diplomacy: Foreign Relations of the Confederate States of America*, a source which is heavily relied upon in the study of this matter, Frank Lawrence Owsley stresses the importance of cotton on the policy of neutrality, rather than simply its role in the opposition to said policy. I have, in this work, deliberately avoided the use of this source, as it places an importance upon cotton in all aspects of neutrality which I feel is undue, as well as unsupported by many of the more recent works on the subject. However, the prominence of this work in contemporary discourse, as well as since its publication in 1931, means that its narrative, from which the conclusions drawn by this paper differ, must be at the very least addressed.

The resolutely early 20th-century analysis of the neutrality of Britain in the American Civil War in the sole terms of economics, as noted by Ginzberg in his somewhat-rebuttal of both the cotton and wheat theses, «cannot be relied on primarily, not to mention solely, in analyzing the outbreak of a war, or the neutrality of an interested party.»<sup>18</sup> Further, the fact that Owsley was an avid white supremacist who had, just one year prior to publishing *King Cotton Diplomacy*, written of the postbellum freedmen as «half-savage blacks»<sup>19</sup> should not be discounted when regarding his works. Overall, I find Owsley's arguments in *King Cotton* to be deeply unconvincing, and I find his merit as an academic who was attempting to present an unbiased perspective of the civil war to be questionable at best.

## Section C

This investigation has brought to my attention several key features of the methods used by historians. I have found that the foremost challenge I faced in this, and which is central to the process of studying and writing of history, was an understanding of which sources, lenses, and conclusions were appropriate to consider in the course of my research. For instance, the economic analysis of Britain's neutrality during the American Civil War, a lens which I initially considered to be at the core of this investigation, is one which, for various reasons, is not accepted by the historiography on the subject. As such, I had to reconsider the

18. Eli Ginzberg, "The Economics of British Neutrality during the American Civil War," *Agricultural History* 10, no. 4 (1936): 147–156, ISSN: 00021482, 15338290, accessed November 21, 2024, <http://www.jstor.org/stable/3739625>.

19. Frank Lawrence Owsley, "The Irrepressible Conflict," in *I'll Take My Stand: The South and the Agrarian Tradition* (Harper & Brothers, 1930), 62.



conclusions which I had expected to draw from my research, and which seemed to me almost self-evident from a precursory glance, and approach the question from a more subtle and nuanced lens. This did, in the end, lead me to a much more satisfying conclusion, however it was not one which was easy to arrive at.

Further, and as I touched upon in my mention of Owsley's *King Cotton Diplomacy*, the nature of academic discourse during early-to-mid 20th century has led me to conduct a critical evaluation of each source I made reference to, insofar as to check for content containing a significant bias towards the Confederacy. My reliance on scholarly works has been heavy, and, though many of the most commonly-cited works on the topic were written during the period mentioned, I have made deliberate efforts to use more recent studies to fill in the gaps left by the older ones.

I have, to the best of my ability, answered the question posed, through a lens which is accepted in the current historiographical zeitgeist on the topic. The lens of analysis I have used is not suitable for a complete understanding of the issue, a fact that has become increasingly clear to me as I have researched this topic. This is, I believe, the largest challenge of the historian, and one which is endemic to the nature of historical events as multifaceted and complex events: no single study, regardless of its breadth and/or depth, shall ever be able to fully capture an event and its many interpretations.

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