The cotton industry is fundamental to the development of global capitalism and broadly shaped the world we live in today. It is therefore important to realise the extent to which this depended on the militarisation of trade, massive land expropriation, genocide and slavery. This book refers to this system as ‘War capitalism’ and argues that the use of armed force by European states to reconfigure the world's cotton industry was a precondition for the industrial revolution.

When Samuel Greg set up England's first water driven yarn-spinning factory at Quarry Bank Mill in 1784, he financed it with money that he had made as a slave owner on the West Indian island of Dominica as well as capital from his family association with the slave trade. Moreover, much of the impetus for the growth of the cotton textile industry came from the demand for cotton textiles as trade goods in the West African slave trade. Cotton textile manufacture soon spread across the Atlantic and much of the initial funding for the development of the industry in the USA also came from men who were rich from the West Indian provisioning trade. One such was Moses Brown, who gave financial backing to an immigrant from England called Samuel Slater, proprietor of the first US mechanized cotton-spinning mill at Pawtucket, Rhode Island. Even after the abolition of slavery within the British Empire, the British textile industry remained largely dependent on slave grown cotton from the United States until the American Civil War. But cotton exhausts the land upon which it grows and this, along with the growth in the demand for raw cotton meant that the coercion required to drive slave labour was matched by the violence of the war of expansion and genocide against Native Americans. Thus, the origin of the economic power of the United States lies in enslaved people growing cotton on land expropriated from the indigenous population.

Between 1815 and 1860, more than half of US exports consisted of cotton from the southern states, but this would not have been possible without European capital investment. Eric Williams, in his *Capitalism and Slavery* (1), points to the role of the slave trade in developing the insurance industry. Sven Beckert shows the number of other modern financial tools that the global cotton industry caused to be developed. Slavery was a capital-intensive business and the expansion of US cotton agriculture depended on large sources of credit, most commonly the London money market, where loans were frequently secured on mortgages on slaves. More ingeniously, these mortgages were then turned into bonds that could be sold to European and US investors in a manner that both spread the risk and commodified the enslaved person, making slave owning...
more acceptable to early Victorian gentlefolk. Therefore, it is hardly surprising to see Baring Brothers Bank at the centre of this financial web, being one of the prime issuers of such bonds. Another modern financial tool produced by slave-based agriculture was the idea of the ‘futures market’ as financiers who traded in cotton, and the Barings were amongst the biggest of these, traded in shipments ‘to arrive’ while they were still on the high seas.

The Baring family had been part of the story from the outset. Sir Francis Baring, as well as having personally made a fortune from the slave trade, became a director of the East India Company in 1779 at a time when there was huge demand for cotton cloth from India to trade for slaves in Africa. This trade created new markets in which European capitalists were keen to replace Indian manufactured cloth with their own products. While this was partly achieved by increasing the productivity of labour through mechanisation, protectionism was equally important. In 1665, Parliament imposed an import duty on imported Indian cloth and decreed in 1714 that cotton cloth sold in England had to be made exclusively from cotton spun and woven in England. This is but one example of the many given in this book that illustrate how, despite the apparent ‘free trade’ and ‘small state’ ideology of manufacturing capital, the Industrial Revolution required a strong, interventionist state. Beckert writes: ‘Without a powerful state capable of legally, bureaucratically, infrastructurally and militarily penetrating its own territory, industrialisation was all but impossible. Forging markets, protecting domestic industry, creating tools to raise revenues, policing borders, and fostering changes that allowed for the mobilization of wage workers were crucial’ (p. 179). The ‘Rule of Law’ essentially refers to the law of property and there are two important aspects to this. The most obvious is the state's ability to police and enforce private property rights against those who would take it away from the legal owner, whether these ‘thieves’ be rogue capitalists, pilfering workers or slaves attempting to escape and thus removing their owners property in their own fleeing persons. But the legal role of the state goes far beyond such obvious defence of property and once trade has grown beyond a personal deal between two merchants who know and trust one another, a system of arbitration, contract enforcement and trading standards is essential to the continued functioning of the system. When the present government speaks of a ‘bonfire of regulations’, they clearly do not mean the repeal of the 1677 Statute of Frauds. This legal superstructure needs the ‘state monopoly of violence’ to enforce it, and this is particularly true when some of the property involved is enslaved human beings.

At this point in the discussion, the book contains an apparent contradiction. It says: ‘This link between capitalists and the state would also empower workers who could employ the state's dependence on the consent of the governed to mobilize collectively for higher wages and better working conditions’ (p. 96). However, later in the book we read: ‘When workers rebelled, mill owners often came to depend on the state to suppress such upheaval’ (p. 224). Given that most of the victims of the 1819 Peterloo Massacre were Manchester textile workers, the historical record would seem to support the argument as to the repressive nature of the state rather than its empowering qualities. Be that as it may, the undeniable importance of the state for the development of industrial capitalism lay in its overseas military operations. The Navy was essential to securing markets and the expansion of European trade networks rested on military subjugation rather than superior goods. This process started through chartered companies of heavily armed privateering capitalists such as the various East India Companies, but these organisations were, nevertheless, dependent on their home nation's military might to support their adventures. Without the Royal Navy to oppose piracy, enforce trade agreements, defend and extend the colonial empire, as well as, where necessary, make war on foreign powers, the whole interconnected system of British-dominated global capitalism would have fallen apart.

Given the importance of controlling the priorities of the British state, political power was contested between competing elites and the shifting political views of public representatives of the various economic interest groups that made up the British ruling class may be seen in this light. Thus, in the 18th century, Manchester textile manufacturers and London financiers had a common interest with the landed aristocracy, Liverpool or Bristol slave traders and Caribbean sugar planters. This was the heyday of protectionism; in the early days of industrial cotton, textile manufacture in Europe required as much protection from competition as did the West Indian sugar interest and the British agricultural landlords. However, by the end of the century, the
British textile industry was sufficiently established to no longer need protection from competition. The rising Lancashire cotton manufacturers felt that artificially high prices for plantation produce and home grown grain contributed to higher wage demands and therefore greater costs and lower profits. Having profited from slavery and used those profits to industrialise, the new manufacturing bourgeoisie began to feel restricted by the old monopolist mercantile economics. Under the influence of theoreticians such as Adam Smith, ‘Free Trade’ became the dominant ideology as the manufacturers became the most important economic force in the country. The abolition of British colonial slavery became part of the general demand for reform in the first half of the 19th century leading to the Reform Act of 1832 and eventually to the final triumph of the manufacturing bourgeoisie with the repeal of the Corn Laws and the Sugar Act of 1846.

The funding and support of the Lancashire cotton manufactures may have been important to the abolition movement for the British Empire, but evidence that this was based on economic interest rather than principle may be found in their subsequent attitude to slavery in the United States. The book argues persuasively that slavery was integral to the continued expansion of industrial capitalism in the 19th century and portrays a system based on the combination of new technology, capital investment and coercion. Nor did coercion end with the victory of the Union in the American Civil War as force was still required to compel freed people of colour to produce cotton, with lynching seen as part of the campaign to curtail cotton growers’ political activities and their collective solidarity against the landlords. The debates about whether slavery is compatible with modern capitalism that have raged over the abolition of sugar slavery, can find no counterpart in the world of cotton. Cotton slavery in the United States was immensely profitable up to the end and chattel slavery was a fully integrated part of a completely modern, capital-intensive industrial system. However, the book would have benefited from a more detailed discussion as to why the ruling elite in the Northern states were prepared to go to war over the issue when many Northern manufacturers and merchants were profiting from slave-grown cotton.

Great Britain had more obvious economic reasons to pursue the military expansion of its Empire in the years following the Civil War as they sought other sources of raw cotton. Egypt is a case in point. With a view to profiting from the ‘Cotton Famine’, the Ottoman Viceroy of Egypt, Muhammad Sa'id Pasha, succeeded in implementing policies that turned Egypt into a major producer of cotton through a wave of coercion and violence as (by a redefinition of property rights) ownership of vast swathes of land was transferred from village control into the hands of the landlords of large estates. By 1864, 40 per cent of all fertile land in Lower Egypt had been converted to cotton agriculture. The Egyptian state took out large loans, mainly from the City of London, to build new railways, irrigation canals and cotton processing plants. As the price of cotton slumped after the Civil War, Egypt went bankrupt, giving the British government the excuse it needed to invade in 1882 and take political control of the country. Thereafter, the British colonial rulers were able to use new laws on debt and property, backed up by military force where necessary, to compel the Egyptian peasants to grow ever more cotton.

Debt became a similarly powerful tool in British controlled India, when the administrators of the sub-continent, now a full colony after the removal of the East India Company following the Indian Mutiny of 1857, saw their opportunity to spread cotton growing. Infrastructure projects linked to cotton agriculture, such as roads and railways, were financed by increasing local taxation, thereby forcing many peasants into the money economy as they could only pay by producing cotton as a cash crop. A new legal environment, with changes in contract and property law, allowed landlords and moneylenders to profit from the growth of cotton for export to Britain, while the mass of the rural population were plunged deeper into poverty and debt. As cotton prices fell and food prices rose in the late 1870s, over six million people died in famines in India, not from shortage of food, but from a shortage of money to pay for it.

This is a book to make you think again about the shirt on your back, and to wonder how much blood there is on it. It also has important historiographical and political implications. Probably ever since Adam Smith, but certainly since Eric Williams wrote *Capitalism and Slavery*, it has been well established that sugar slavery in the Caribbean provided a considerable proportion of the primary accumulation that enabled the launch of the Industrial Revolution. This book carries on from that point and shows how slavery became central to a
mature capitalism, demonstrating that we cannot write off human slavery as a hangover from feudal times for which modern governments, manufacturing industry and the financial services industry bear no direct responsibility. The campaign for reparations for slavery and genocide against the indigenous population should receive a powerful fillip from this well documented book.

Notes


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