

Henry Luboga  
lubogah@ug.nationmedia.com



# How cotton helped jump-start Uganda's



Cotton being inspected inside a ginner in 1903. Two and half tonnes of different varieties of cotton seeds were imported from Egypt and distributed for trial cultivation.

PHOTO COURTESY OF HENRY LUBOGA

**Beginning.** Cotton was one of the many crops that were tried out to replace slavery and ivory as exports from Uganda. Contrary to the belief that cotton was introduced in Uganda in 1903, the crop was first noticed in the protectorate by explorers between 1862 and 1892.

Uganda's economy has gone through a transition from a commodity to cash economy. Thanks to colonialism.

Soon after establishing authority over Buganda, and later Uganda, the new administrators needed revenue to run the country. Revenue relied on by the protectorate government at the time was very inelastic.

The British crown supported the government through the British treasury by paying up to 84 per cent of the protectorate's budget through grant aid. Ten years after the grant aid, the country's exports increased 12-fold, reducing aid to run the government to 22 per cent. Central to this drastic change was but cotton.

**Economy before World War I**

Uganda's economic history before the Great War, or World War I, was very different. There was a market for primary products such as cotton.

But to understand the relevancy of these products, one needs to know the people involved in the advancement of Uganda's economy since 1903.

Cyril Ehrlich, who was an Econom-

ics lecturer at Makerere College in 1952, wrote in the *Uganda Journal* Volume 21 of 1957 that: "In 1903, I think there were two active groups; government and the traders, most of whom were Indians. By 1902, it was clear that Uganda was not going to be a White man's country."

But when it came to having settlers in Uganda the way it was in the East African Protectorate, the issue of land became a problem.

According to government archives of 1902 marked No 24. 14/12/01, a colonial official was quoted as saying, "was land to be let at much lower rates than at present, I have very little doubt that many Indians and others would settle permanently in the country."

"I am not, however, in the favour of reducing the present rates in order to encourage settlers in the kingdom of Uganda as we are not yet in a position to define the boundaries of the chiefs' estates, which estates have now become private property boundaries of the estate of the."

"I, therefore, think it would be unwise to encourage settlers until such a time when our survey department has had time to survey the estates and thereby prevent any chance of encroachment."

The *Uganda Notes*, Uganda's first newspaper, of February 1902 said: "In our opinion, Uganda proper offers practically no advantages to any settlers of any kind and anyone thinking he will get special concessions from government will be grievously disappointed."

The paper went on to say it was government's objective to enable the natives benefit from whichever natural resources were available in the country.

According to Ehrlich, the protectorate government's efforts to discourage settlers were not limited to British settlers alone.

"An applicant from Salisbury, Rhodesia, asked Entebbe what inducements were offered to settlers and prospectors. He was referred to the East Africa Protectorate government," he writes, adding that "A similar brush off was handed to a self-styled energetic young man from Transvaal."

Government was not looking for planters, but a way of increasing the revenue collection above all things.

In a letter to Bishop Tucker of the Church Missionary Society, the commissioner said: "The imperial treasury cannot go on many years supporting the protectorate at so vast a cost to the British taxpayer. When we have something like revenue, the government might be able to subsidise edu-



The protectorate government in April 1905 imported tonnes of American type of cotton seeds and had them distributed to farmers in the areas of Buganda, Bunyoro, Ankole and Busoga.

cation."

In the same letter, the commissioner asked the church to help provide skills to its converts that would contribute towards the revenue.

"Pending this development you cannot render a greater service to your converts than teach them English and useful industries by which they would earn good wages," the letter says in part.

According to Ehrlich, the protectorate government's revenue collection suffered a blow when a section of Uganda was lost to the East Africa protectorate government in 1902.

"Even more serious was the loss of the Eastern Province to the East Africa protectorate in 1902. This meant a substantial loss of revenue from a densely populated area," Ehrlich writes.

Railway at Kisumu  
The arrival of the railway at Kisumu

**35%**

**BY 1907, THE SUCCESS OF COTTON WAS VERY CLEAR AS THAT YEAR'S HARVEST ALONE ACCOUNTED FOR 35% OF GOVT'S EXPORTS.**

# economy



In 1904, the Uganda company setup hand-powered ginneries to buy cotton from the local farmers from who they had distributed seeds.

wise to ease transportation of goods and people to the interior. But the colonial administrators in the two countries were bothered by what the trainees would carry on its return journey.

Ehrlich says by 1903 ivory, hides and skin were the major exports from Uganda with a total value of £53,000 as compared to £12,300 imports at that year. With the emergence of cotton, it took centre stage as the main export from Uganda.

**Cotton as a source of revenue**

Cotton was one of the many crops that were tried out to replace slavery and ivory as exports from Uganda.

Contrary to the belief that cotton was introduced in Uganda in 1903, the cotton crop was first noticed in the protectorate by explorers between 1862 and 1892, although before 1903 it was never considered a crop of commercial value.

According to the *Uganda Company Prospectus* of 1906, "In 1903, two and half tonnes of different varieties of cotton seeds were imported from the Khedival Agricultural Society in Egypt and distributed for trial cultivation by and to peasants in all likely and accessible parts of the protectorate during April and May 1904."

At harvest, the American type had done best. Following this success the protectorate government in April 1905 through the Uganda Company imported tonnes of American type of cotton seeds and had them distributed to farmers in the areas of Buganda, Bunyoro, Ankole and Busoga.

Seeing hope in cotton, three experimental stations run by the government were set up in Masaka, Kakumiro and near Jinja mainly to try out more varieties on different soil samples.

Their set up was a recommendation from the head of scientific and forestry department in a memo archived as file A7/9/04-627/B/4 in which he said: "Like many other countries, Uganda has localities which differ considerably respecting climatic conditions and soil."

In 1904, the Uganda company setup

hand-powered ginneries to buy cotton from the local farmers from who they had distributed seeds. Government purchased 62 hand ginning machines and sold them to local chiefs at £1 and distributed another 43 for free.

By 1907, the success of cotton was very clear as that year's harvest alone accounted for 35 per cent of the government's total exports.

However, despite the improved output complaints about the quality of the Ugandan crop started coming in from the British Cotton Growers Association.

Among the complaints was the mixing of different cotton varieties in the same bale. "For example, one bale contained American, Egyptian and a roughish Peruvian type," says Ehrlich.

As a result, the British Cotton Growers Association instead of buying cotton direct from Uganda started buying it from the East Africa Corporation based in Kisumu, Kenya. In Kisumu, the cotton was ginned before being exported to London, England.

The colonial office in Entebbe was under pressure to ensure the quality of cotton going to England was of a good standard. The complaints forced the protectorate government to intervene and ensure quality in 1908.

But its efforts were constrained because cotton was not going to be a plantation crop because of the land ownership question.

"A few entrepreneurs endeavoured to get government support for plantation schemes but the Uganda Company's decision to concentrate on ginning and marketing was representative in a way in which most foreign businessmen saw their role in the industry," says Ehrlich.

"Cotton was, therefore, destined to remain a peasant crop and the Uganda government had for the first time face a set of problems which have beset it ever since."

In Part II next Sunday, read about how Indians dominated the trade and clashed with the colonial government