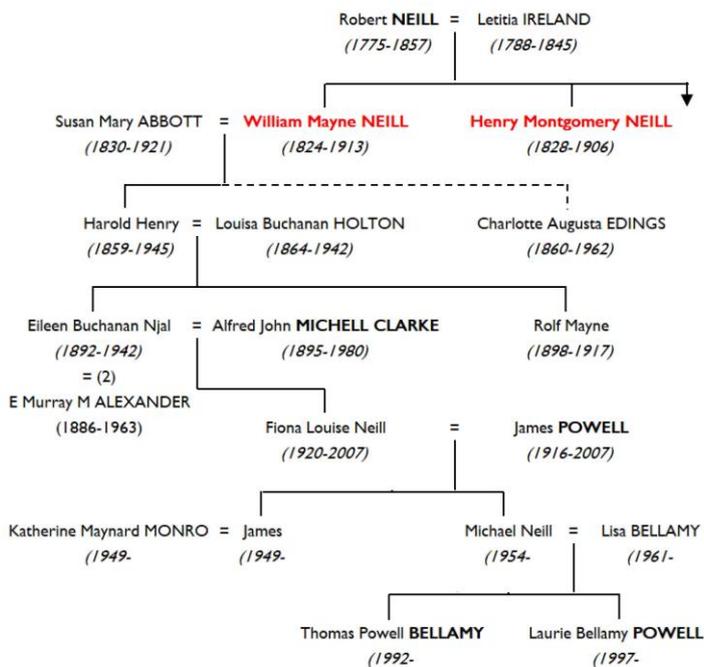


William and Henry Neill trading as

NEILL BROS & CO

(1854 – 1867)



William (born in 1824) and Henry (born in 1828) were two of the sons of Robert Neill, jeweller and silversmith of Belfast, and his wife Letitia, née Ireland. Together they founded a cotton business that traded cotton from America to Britain and also produced a cotton circular, informing the British trade of the size of the cotton crop, stocks, likely shipments and price movements. These circulars became the public face of the business.

Over time there were several manifestations of the firm, in different locations and with different partners. However, the partners always included William and/or Henry, and the businesses were all called Neill Bros & Co. For the purpose of clarity, it is simpler to think of a single business, with a British and an American arm.

It is probable that both arms were formed in 1854. That was also the year when William joined his younger brother in America. Henry had first gone there in 1847, having just turned 19 when he arrived. He seems to have returned to Ireland for two years in 1849, before going back to America in 1851, where – apart from occasional visits to Britain – he was to remain for the rest of his life.

William was in America from 1854 to 1860, and again at times between 1865 and 1867, based in New York. Henry was based first in Mobile (with an office in New Orleans as well), and then, from 1865, entirely in New Orleans. The company was still extant in 1906, when Henry died, although its nature had changed. There were four main phases of the firm's existence:

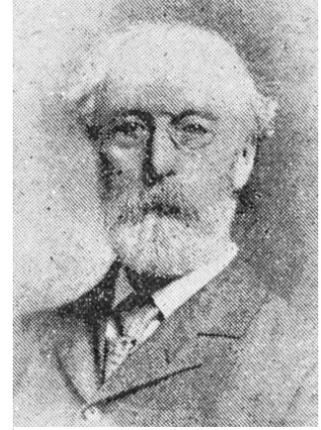
- 1854-1860 The founding of the business and its establishment in Britain and America.
- 1861-1865 The period of the American Civil War, a uniquely challenging time for the global cotton trade, during which Neill Bros came to public prominence, but were ruined financially.
- 1866-1875 The re-establishment of the business after the civil war.

1875-1906 The period when William and Henry went different ways. Neill Bros continued to exist in Britain, involving William but not Henry, who established himself as Henry Neill & Co in New Orleans, cotton merchant and cotton forecaster.



William Neill

This piece exclusively concerns the first two phases. Little is known about the business between 1866 and the 1890s. For a long time, Henry seems to have traded and made his forecasts without controversy. In the absence of information, it is hard to be certain, but what has survived on the internet is probably a reasonable guide. There is plenty on the 1860s, and plenty on the 1890s, but nothing much between, and certainly no inkling of the contentious figure that Henry would become.

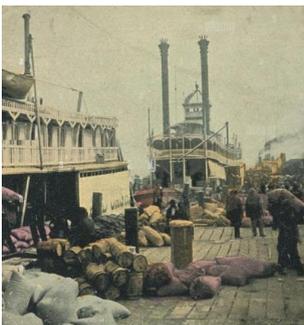


Henry Neill

Then, there was a whirlwind of publicity, all involving Henry, and recounted in a separate article, *The Life and Families of Henry Montgomery Neill*.

Early years in America

At the age of 19, coming from Ireland, Henry can have known nothing about cotton. William, when he arrived in 1854, cannot have known anything either, since his previous business experience had been chiefly concerned with corn. So, when the partnership was formed, the market expertise must have been provided by Henry, and it must have been acquired during the preceding seven years.



Cotton at Mobile

On 13 December 1847, a fortnight after Henry's arrival in New York, he was staying at the Planters' Hotel in New Orleans.¹ Whether he stayed long in that city, or worked there, is unknown. After a brief period back in Ireland, he was in Mobile, Alabama, by 1854, and probably earlier. An obituary reported that 'his first commercial venture was in Mobile, where he established himself in business as a cotton buyer.'² He was married there, on 25 July 1854, to Catherine (Kate) Lowber, born in New York in 1832.³

The Mobile Directory and Commercial Supplement for 1855-56 listed Neill, Brother & Co. upstairs at 31 St Michael Street, and Henry's residence in Dauphin Way.

¹ *Daily Picayune*, December 1847, cited in P. Stack, *The Leviathan Chronicle*, online archive, pp. 13-14 [accessed 3 December 2021]

² *The Times-Democrat*, New Orleans, 13 September 1906

³ Records of the Methodist Episcopal Church, 1785-1893, vol. 10, Sullivan Street Marriage, 179, cited in Stack, *Leviathan*, pp. 38-39; Find a Grave, Kate M. Neill, Magnolia Cemetery, Mobile, AL

By 1861, at the outbreak of the civil war, the Neill Brothers were listed at 47 Carondelet Street, New Orleans.⁴ Whether this office was additional to the Mobile office, or a replacement for it, is not known. But they styled themselves as ‘Messrs. Neill Brothers and Co., Cotton Merchants of New Orleans, Mobile, and New York’.⁵



New Orleans Cotton Exchange

The basis of the business

Neill Bros came to be known publicly for its circulars on the cotton market, issued mainly to the trade in Britain. They were later provided on subscription, but may have been free to begin with, to create publicity for the firm.

The first Neill circular for which there is a reference is from 14 November 1853. This is mentioned in the press report of the next circular, in January 1854, from ‘Messrs. Montgomery, Neill, and Co. of Mobile and New Orleans’. Significantly, it does not mention Neill Bros or New York, and includes the words ‘in my last circular ... I pointed out ...’, which suggests it was issued by Henry Montgomery Neill alone.⁶

The first discovered reference to a Neill Bros circular is from Manchester in December 1854⁷, a month after William moved to America to join Henry.⁸ It is presumed that the British partnership of Neill Brothers & Co was founded soon before he left. The American partnership was probably founded in the same year, when William joined Henry in America.

At the time of Henry’s death the subscription price of the circular was \$25 annually, equivalent to nearly \$800 today.⁹ The circulars gave precise details of cotton shipments out of US ports, together with estimates of stocks held in warehouses and future prices. As time went by, Henry became increasingly confident in forecasting the size of each year’s crop, which became his *forte*. In this, he was aided by a network of local informants. A newspaper notice of 1855 invited ‘gentlemen of character and intelligence’ residing anywhere in the cotton states ‘to exchange advices’ with the New York office of Neill Brothers, promising that ‘their position with special agents in Great Britain wholly devoted to their interests will enable them to furnish in return correct advices as to the prospects of the trade in Europe.’¹⁰

⁴ Gardner’s New Orleans Directory for 1861, cited in Stack, *Leviathan*, p. 313

⁵ J. Mann, *The Cotton Trade of Great Britain: its Rise, Progress, & Present Extent*, (London: Simpkin, Marshall, & Co, 1860), p. 53

⁶ *Manchester Times*, 7 January 1854

⁷ *Manchester Times*, 20 December 1854

⁸ New York, U.S., Arriving Passenger and Crew Lists, 27 November 1854

⁹ *New York Times*, 13 September 1906

¹⁰ *Texas State Gazette*, 25 March 1855

It is impossible to overstate the importance of the cotton trade to Britain in the 19th century. At the middle of the century, the industry employed more than half a million people, mostly in Lancashire.¹¹ It was entirely dependent on an imported crop, and the size of that crop, its quality and its price, were vital issues for the cotton trade. Anyone who could establish a reputation for providing this information regularly and reliably would be prized, and this is what William and Henry and Neill achieved. They were surely assisted in this by being Irish, and thus trusted by the British cotton trade more than it trusted American sources, who would have had producer interests at heart. And, importantly, they were Irishmen based in America, which gave them first-hand access to the information relayed.



Lancashire cotton mills

In addition to their statistical detail, the circulars dealt in wider political and economic issues as they affected the cotton trade, especially at times of political crisis such as during the American Civil War. Whilst Henry must have contributed most of the facts and figures to the circulars, it was probably William who was responsible for most of the political content.



New York Cotton Exchange

If the idea behind the partnership was to have one brother on the ground in the Southern states and the other in England, where the clients were based – which was probably the original idea, and a good one, and what later happened – it may seem surprising that, at the beginning of the partnership, William should have lived in New York for six years, which would have been longer but for his marriage and the American Civil War. There were a number of reasons why this might have happened, any or all of which could have been true.

First, William needed to learn about the cotton trade himself, and it must have been easier to do that in America, with Henry's regular input, than in Britain. Second, every business needs a front man and Henry's apparent nature makes it unlikely that it would have been him. William, on the other hand, was gregarious and sociable, making a wide circle of friends in America easily and quickly. (In a single day in January 1860, when he was about to leave New York for England, he 'paid over forty visits but left about 7 or 8 unpaid for want of time ... I was at it from 11 till 11.'¹²)

¹¹ T. Ellison, *The Cotton Trade of Great Britain* (London: Effingham Wilson, 1886), p. 66

¹² Letters of William Neill (held by the author)

Finally, although the cotton circular, and the figures and forecasts they contained, became the visible public face of the business, that was not the original intention. Commercially, the Neills seem always to have been merchants first and foremost. William's letters make it clear that he was fully occupied in New York. The preparation of a then-quarterly circular, for which Henry provided much of the information, was not a full-time occupation. William was involved in commodities other than cotton. ('That wine concern has been a fearful trouble to me. I had to resort to a sort of chancery suit to get it wound up and the delays have been most aggravating.'¹³)

ANNUAL CIRCULAR.

11, CROSS STREET, MANCHESTER, 29th SEPTEMBER, 1859.

DEAR SIR,

The American Cotton year came to a close on the 1st of September, and I am now enabled to present you with a copy of my Annual Chart, which you will receive in due course, giving the statistics of the trade for the year, compared with a number of years preceding. At the same time I would, as usual, call your attention to some of the more interesting features connected with the delivery, distribution, &c., of the crop.

OF THE PAST CROP, AND HOW CONTRIBUTED.—The total Cotton Crop of the United States for the year ending 31st August, 1859, is ascertained to have amounted to 3,851,481 bales, contributed by the various districts as follows:—

Received at New Orleans.	Mobile.	Texas.	Total Western.	Florida.	Savannah.	Charleston.	Nth. Carolina & Va.	Total Atlantic.	Grand Total.
1859 ... 1,669,274	704,406	192,032	2,565,742	173,484	475,478	460,653	70,599	1,280,208	3,851,481
1858 ... 1,576,609	522,864	145,386	2,244,859	122,351	292,973	406,251	48,704	860,289	3,118,062
1857 ... 1,435,900	503,177	89,892	2,028,969	135,344	322,111	397,331	50,030	906,706	2,939,519
1856 ... 1,661,433	659,738	116,078	2,437,249	144,491	389,445	495,976	46,546	1,076,281	3,523,945
1855 ... 1,532,644	454,595	80,737	1,767,976	136,597	378,694	499,272	56,139	1,070,702	2,847,389
1854 ... 1,246,252	338,684	107,305	1,999,455	155,414	316,005	416,754	33,400	921,633	2,930,927
An excess on—									
1858 ... 92,865	182,043	46,776	321,683	51,133	192,815	74,402	21,787	339,921	737,519
Or per cent.	6½	26	13	39	69½	15½	30½	28½	19

I am, Dear Sirs, your faithful Servant,

J. C. OLLERENSHAW.

Representing NEILL BROTHERS & Co., New Orleans, Mobile, and New York.

Only one of the original Neill Bros circulars is known to exist (left).¹⁴ What does exist is a plethora of newspaper articles online (which must represent a small proportion of the circulars issued), containing extracts from them, sometimes briefly but often at length. Whatever else, the Neills knew

the value of publicity. They were quoted in every major newspaper in America, in every local paper in the Southern states, in the press of countries like Australia, New Zealand, Malaya and India, and widely in the British press as well. Throughout the world, they were regarded as experts.

It seems that the intention was always for William to return to England, at least once the transatlantic cable had been laid and communications thus made quicker and easier. The cable was first completed on 5 August 1858. In a letter from September of that year, William explains that this means he no longer needs to be in New York and that he will be coming back to live in England. However, he has already heard of the breakdown of the cable, which occurred earlier that month, so his plans remain up in the air. 'I do not feel very sanguine of any immediate discovery of the faults or laying of another cable. I may therefore be years yet in America.'¹⁵ The cable could indeed not be repaired and its replacement did not become operational for another eight years. By then, William had long since left New York, probably at his new wife's behest.

¹³ Letters of William Neill

¹⁴ Neill Brothers, Cotton Circular of 19 December 1861, National Archives, LCBA, 380 COT/1/11/66

¹⁵ Letters of William Neill

The role of John Charles Ollerenshaw

A reference to 'New York cotton brokers Messrs. Neill, Brothers and Company' makes it clear that the firm was trading cotton, as well as reporting it.¹⁶ There are other references to the firm as 'merchants' and 'commission agents'. When William was courting his future wife Susan in October 1858, he refers to himself as 'your little Commissioner'.¹⁷ Neill Bros seems therefore to have negotiated the purchase of cotton in America, arranged its transportation, and taken a percentage of the transaction, probably without directly owning the shipment at any point.

Virtually all the American cotton that arrived in Britain at this time was traded on the Liverpool market by two sets of cotton brokers – one selling on behalf of importers; the other buying on behalf of spinners – who effectively enjoyed a monopoly on cotton imports. It appears that the Neills bypassed this system.

Their circular of 16 March 1855 was issued by 'Messrs. Neil [*sic*] Brothers, of New York (represented by Mr Ollerenshaw, of this city [Manchester])'.¹⁸ William's letters confirm that Ollerenshaw was the firm's agent in Manchester.¹⁹ The presumption is that Henry negotiated the purchase of cotton either directly from planters in the Southern states, or from the factors who represented them, that William organised its shipment to Britain, and that Ollerenshaw sold the cotton directly to spinners. This would have cut out several of the middlemen usually involved, as well as the entire Liverpool cotton market, and especially the cotton brokers. This was not a unique way of marketing American cotton, but it was unusual, and highly unpopular in Liverpool.



Cotton brokers, Liverpool

John Charles Ollerenshaw was an interesting man. Born in Manchester in 1820, he won the Hull College Prize in 1849 for his essay *Sabbath Labour is Seventh-Day Slavery*, which was published in that year and is still available.²⁰ The frontispiece describes him as a 'working hatter, Belfast', which is almost certainly where he met the Neills.

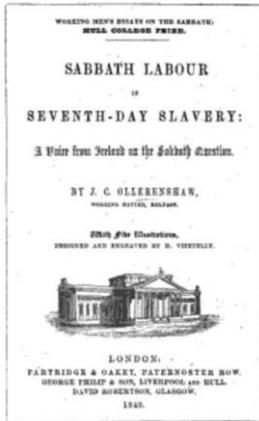
¹⁶ R-D. Calhoun, 'Seeds of Destruction: The Globalization of Cotton as a Result of the American Civil War' (unpublished Ph.D. thesis, Kansas State University, 2012), p. 47

¹⁷ Letters of William Neill

¹⁸ *Manchester Times*, 31 March 1855

¹⁹ Letters of William Neill

²⁰ J. Ollerenshaw, *Sabbath Labour is Seventh-day Slavery: a Voice from Ireland on the Sabbath Question* (London: Partridge & Oakey, 1849)



By early 1854, he had ceased to be a hatter and was back in Manchester, now in the cotton trade and with offices at 11 Cross Street. In 1855, he was listed as the Manchester agent of the London Indisputable Life Policy Company.²¹ In 1859, he was granted a patent for an improvement of the cotton gin.²² On 14 September 1859, he was one of the platform speakers at a large rally at the Athanaeum, Manchester, to protest against American slavery.²³ Later, in 1870, he read a paper on *Our Export Trade in Cotton Goods to India* to the Manchester Statistical Society²⁴ which, in 1936, was referred to approvingly by John Maynard Keynes.²⁵

But, whatever Ollerenshaw's versatility, and however useful he was to Neill Bros in the early stages of the business, his relationship with the Neills seems to have ended when cotton imports from America dried up soon after the outbreak of the American Civil War. How the Neills organised the sale of their cotton in the UK after the war is not known, but it was not through Ollerenshaw.

The eve of the civil war

By the eve of the civil war, the Neill brothers appeared to be doing well. Their statements of cotton crops and shipments appeared regularly in the *New York Times*. In a few years, this pair of foreigners had gained a significant reputation.

A contemporary report (which describes them as cotton merchants of New Orleans) refers to the firm as 'the most pains-taking collectors of information about the cotton crop in the country.'²⁶ This report was written by Frederick Law Olmsted, later the designer of Central Park, New York. Interested in the slave economy, he was commissioned by the *New York Daily Times* to embark on an extensive research journey through the American South and Texas from 1852 to 1857. Olmsted was an old friend of the Neills, of William in particular, and it seems probable that the Neills had a significant input into the three volumes of journalism that resulted, and also learned a lot from Olmsted themselves.



F. L. Olmsted

²¹ *Manchester Times*, 7 April 1855

²² *Manchester Courier & Lancashire General Advertiser*, 23 April 1859

²³ *Manchester Times*, 17 September 1859

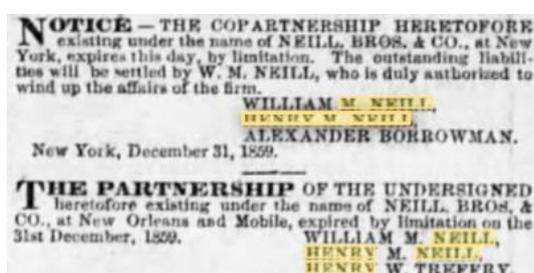
²⁴ *Manchester Courier & Lancashire General Advertiser*, 14 April 1870

²⁵ J. M. Keynes, 'William Stanley Jevons: A Centenary Allocution on his Life and Work as Economist and Statistician', *Journal of the Statistical Society of London*, 1936, pp. 516-555

²⁶ F. Olmsted, *Cotton Kingdom: A Traveller's Observation on Cotton and Slavery in the American Slave States* (New York: Mason Brothers, 1861), Vol. 1, p. 94

Privately, however, all was not as well as it seemed. In his letters home, William confessed to being 'anxious about business which is doing poorly' (11 December 1859). On 17 January 1860, he wrote: 'Business continues as perplexing & disheartening as ever – but I fight on persistently though not very hopefully against a hundred difficulties & impediments.' More detail was given in a letter of 18 December 1859:²⁷

Our partnership is to be dissolved that day [1 January], Borrowman & Treffry leaving the firm. We think it unsafe to continue saddled with the responsibility of keeping them as their expenses are heavy and our business small at present – I shall leave Hall here to publish the circular & act as a sort of agent in hunting up a few occasional customers here – & with him perhaps Thomas the lad – Charles [Todd] I shall send to Henry to make use of either in Mobile or N. Orleans. By these arrangements we shall reduce expenses by abt \$4000 a year or £800 which will be an important item in dull times.



A press notice reveals that, until now, the American firm of Neill Bros & Co had in fact consisted of two partnerships. Borrowman was the partner of Henry and William in New York, and Treffry their partner in Mobile and New Orleans. Both partnerships were now dissolved.²⁸

About 18 months later, the political situation in America created new problems. As opinions in the South hardened and talk of secession gained pace following Lincoln's election, the Vigilance Committee of New Orleans attempted to proscribe Henry from the state for his abolitionist sympathies. He was saved only by his father-in-law, Daniel Lowber.²⁹ Then, on 12 April 1861, Confederate forces fired upon Fort Sumter, a Federal stronghold in Charleston harbour, and the American Civil War began. However bad things already were for the Neill brothers, they were about to get a great deal worse.

The start of the civil war and the British cotton trade³⁰

The trade of Neill Bros, and of the entire British cotton industry, was entirely dependent on cotton imported from the Confederate states. To quantify the scale of the problem, in 1860 –

²⁷ Letters of William Neill

²⁸ *New Orleans Crescent*, 2 March 1860

²⁹ *The War of the Rebellion: a Compilation of the Official Records of the Union and Confederate Armies*, Series 2, Volume 2, pp. 587-88, letter from W. M. Neill to Hon. W. H. Seward, 9 November 1861

³⁰ The original research for the civil war sections prompted me to enrol as a post-graduate student at Liverpool University. The description of the Neills' public role during the war fed into my doctoral thesis, and then into the book that resulted from it (J. Powell, *Losing the Thread: Cotton, Liverpool and the American Civil War* [Liverpool University Press, 2021].) Statistics are quoted in this piece, and statements made, that are derived from this book, and which are explained and justified there. Instead of referencing each instance individually here, readers should consult that source.

the year before the civil war started – Britain imported 1,436 million lbs of cotton, 80% of it from the Confederate States. Some of the imports were re-exported to Europe, but British raw cotton consumption was still 1,190 million lbs in 1860. The figure held up reasonably well in 1861 (986 million lbs), but in 1862, as a direct consequence of the civil war, it plummeted to 316 million lbs. Nearly three-quarters of Britain's cotton import was wiped out in a single year, devastating an industry that had employed more than half a million people.



Cotton warehouse, Liverpool

The cotton circular produced by the Neill brothers was one of the few regular British reports on the market, and the only one to benefit from first-hand knowledge of America. Because of this, and because of the urgency of the issue, their circulars were reported in detail in most major newspapers, especially in northern England. Collectively, the newspaper reports provide a unique narrative on the progress of the civil war and its impact on the cotton trade.

Before the war started, the circulars were produced quarterly. During the war, they were issued as and when there was a need. From September 1864, they were issued monthly. During the four years of the war, detailed extracts from 27 Neill Bros circulars have been traced.

The civil war started slowly and the realisation of its likely impact on Britain also dawned slowly. In fact, until well into 1862, the cotton trade was oblivious to the eventual consequences. Even Lincoln's announcement in April 1861 that the Union navy would blockade Southern ports and prevent any ship (or cotton) from leaving them did little to dent the complacency.

The principal reason for this was that Liverpool permanently held stocks of raw cotton that would last several months, and almost nobody in Britain could see the war lasting that long. (It is a constant theme of history that people universally expect wars to end quickly.) There was no such unanimity about how it would end. Many held that the Union had such superiority in men, armaments and money that it would inevitably crush the Confederacy. Others held that the war would prove so financially draining to the North, and its electorate so resistant to the higher taxes thus required, that the Union would be forced to negotiate a peace settlement and acquiesce in the secession. What everyone could agree on was that, whichever of these two things happened, it would happen quickly.

The Neill brothers were uniquely placed to dispel this complacency. British opinion was based on a rational appreciation of the facts. But wars are not rational affairs and, even if they start in that way, they seldom continue in it. Henry had spent most of the previous 14 years living in the Southern states. He knew how Southerners felt. William had spent most of the previous seven years living in New York. He knew how Northerners felt. Both understood the emotions

of the situation, and they both knew the utter intransigence of both viewpoints, irrespective of what common sense might dictate.

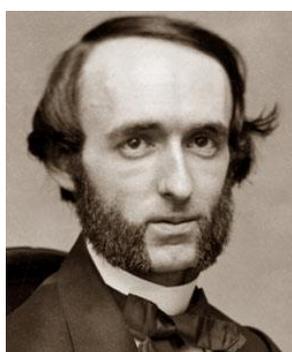
Their circular of 21 August 1861 attempted to alert the British cotton trade to reality:³¹

With regard to the probable continuance of the war, we have merely to confirm what we stated in our last. Many thought then that the North was not in earnest in the war, and others that their immense preparations would ensure them an easy victory... We beg to caution our friends against ... any hope of an early peace... Many lessons will probably be necessary, and, meantime, any success the Northern troops may obtain will again inflame the national vanity, and the lessons of adversity will need to be learned over again... In the meantime the war must go on, as there is not the smallest chance of the South submitting.

A lengthy continuation of the war was not the only alarm that needed to be raised. Before and during the war, there was a conviction in the South that cotton was its trump card. In the famous words of South Carolinian Senator James Henry Hammond in 1858: 'Without the firing of a gun, without drawing a sword, should they [the North] make war upon us [the South], we could bring the whole world to our feet. What would happen if no cotton was furnished for three years?... England would topple headlong and carry the whole civilized world with her. No, you dare not make war on cotton! No power on earth dares make war upon it. Cotton is King.'³²



J. H. Hammond



Fred Seward

This viewpoint was not unreasonable. Indeed, it was shared by many in Britain's cotton trade. It was also shared by Henry's later father-in-law Alexander Schultz, a courier for the Union. In a conversation with Fred Seward, son of Secretary of State William Seward, Schultz reportedly said:³³

You may tell your pap from me that the chances are nine in ten that we shall be at war with England before the first day of February next, and I'll bet him a hundred-dollar bill that it is so ... [England] will knock every blockading craft at Charleston into kingdom come if the blockade is continued one hour beyond December next, or after the new crop reaches those ports in quantities: 500 British merchant ships will come over to convey that crop to England, and it will go forward in spite of any feeble opposition the whole American navy could bring to oppose it. Great Britain will break the blockade, get forward a million bales of cotton, and then explain afterwards. So, Fred, end the blockade, or England will end it for you.

³¹ Neill Bros. circular of 21 August 1861 (*Glasgow Daily Herald*, 23 August 1861)

³² J. Hammond, *Selections from the Letters and Speeches of the Hon. James H. Hammond, of South Carolina*, (New York : John F. Trow & Co., 1866), p. 317

³³ *London Standard*, 20 July 1861

Wherever Alexander Schultz had acquired this fierce conviction, it cannot have been from William Neill. The Neills held the opposite opinion:³⁴

Another favorite idea among the trade is that the British Government will interfere to obtain a supply of cotton. We confess to believing that our Government of the present day has some respect for principle and the sentiment of the civilised world, and that they will not go to war to obtain cotton. Even if principle had little weight with them, it is questionable if it would be their interest to do so, for the loss of even the reduced custom of the North, and the damage that Northern privateers could do to our commerce all over the world; would probably be equal to the gain of having free access to the cotton ports. It would, therefore, we think, not be wise for spinners to trust to the Government to obtain for them the wherewithal to keep their mills going.

Britain did not intervene. Lincoln's Government did not end the blockade. Schultz lost his bet with Seward. There were two main reasons for this. Schultz alluded to one of them himself in the same conversation, when he supposedly said: 'Well, Fred, you know the old man always had a hankering after Canada, what does he think of his chances now?'³⁵ The British Government feared that, if it appeared to give support to the Confederacy, the United States would seize Canada in retribution. Whether it would have overcome this fear but for the second reason is a moot point.



Cotton on the Mississippi

So confident had the Confederacy been that the need for cotton would force Britain and other European nations to intervene in the war on its behalf that, in the autumn of 1861 and several months into the war, it had become alarmed that this had yet to happen. In order to remind other countries how much they relied on cotton, the merchants of New Orleans instigated an embargo on its

export, followed soon after by cotton merchants in Mobile, Savannah and Charleston.³⁶ They acted against the wishes of Jefferson Davis's Government, which feared accusations of attempted blackmail and acknowledged the embargo only as a *fait accompli*.

The Confederate Government then authorized the burning of thousands of bales of cotton at Southern ports. Each state passed laws to create a cotton shortage. Louisiana made it a criminal offence to transport cotton into New Orleans after October 10, 1861.³⁷ There was now no point in Britain breaking the blockade and loading cotton from the Southern ports. There was not any there.

³⁴ Neill Bros. circular of unknown date (*Daily Alta California*, 9 September 1861)

³⁵ *London Standard*, 20 July 1861

³⁶ S. Marler, 'The Merchant Capitalist Community of New Orleans, 1860-1862', *Civil War History*, Vol. 54, No. 3 (September 2008), pp. 248, 264-267

³⁷ E. Dattel, Cotton, the Oil of the Nineteenth Century, *The International Economy*, Winter 2010

It was left to the Neill brothers, in that same circular of 21 August 1861, to spell out the consequences for the British cotton trade:³⁸

Strange and almost incredible as it may appear, it is nevertheless the fact that it is the deliberate intention of the American Governments – both North and South – to seal up the new cotton crop, so that not a bale of it (which they can prevent) shall leave the plantations during the continuance of the war. The North believes that the need of money will bring the South to terms; the South is just as firm in the faith that the need of cotton will bring the North to terms, or lead the European Governments to interfere. How long these efforts will be successful, it is impossible to say. No doubt some cotton will reach the ports, creeks and bays along the coast ... and escape the blockade, in spite of the vigilance of the whole United States fleet. But it is clear that any supply that can thus reach us will be of very trifling importance. A week hence the time will have arrived (1st September) when, under ordinary circumstances, the new shipping season should commence. What we wish our friends to understand, and fully realise, is that there is absolutely no prospect of its commencing then, or for months to come.

Ordinarily we view high prices of cotton as injurious to our customers and to the trade, and we condemn speculation... But we now beg our friends to understand that the only means of even slightly mitigating the fearful evils incident to a cotton famine, are a great and timely advance in price, which will prove to merchants and growers in India and other distant countries, that the scarcity is a real one, and induce them to gather up and ship cotton hither, rather than leave it to be manufactured by the natives of those countries. Thus our distress may be mitigated – the wheels of trade may be kept in motion, even though at low speed – and partial employment may give food to thousands who would otherwise be destitute. A national benefit would also be conferred by all spinners who, by running their mills at half time, should reduce by so much their consumption of cotton. If this were universally adopted, the present stock, instead of being exhausted in December, would last till May.

By the time of the next major circular (26 October 1861), William Neill is in New York and able to gauge matters at first hand. One has always to remember that William has been an ardent abolitionist from the cradle. But he knows full well that a majority of Northerners, let alone Southerners, do not share his views. From the North's viewpoint, this is not a war to abolish slavery, but to maintain the integrity of the country. The circulars, by their nature, are required to be objective, and William finds this easier than one might suppose. One side supports liberty. The other supports freedom of trade. William, as both an abolitionist and a classic Manchester liberal, supports both. When he is forced to choose between the two, as now, he chooses liberty, but is still able to see the argument from both sides.³⁹

³⁸ Neill Bros. circular of 21 August 1861 (*Glasgow Daily Herald*, 23 August 1861)

³⁹ Neill Bros. circular of 26 October 1861 (*Liverpool Morning Post*, 9 December 1861)

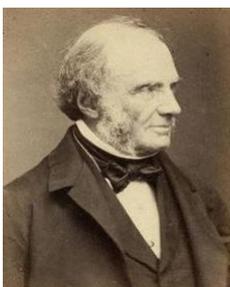
To anyone well informed as to the character, principles, objects, and intentions of the great masses of the people North and South, it has, ever since April, when the war was opened by the bombardment of Fort Sumter, been evident that it must be fought out to the bitter end. Our circulars were called alarmist, and their views disputed. But what do we now find?...

One section has gone to war for separate independence and the maintenance of the system of slavery, with the right to its extension, and at the same time to establish free trade and unrestricted commerce with all the world. The other party has gone to war to preserve the unity and integrity of a great country, willing enough (except a small portion) to tolerate slavery, but determined not to let it continue supreme in the government as it has been of late, and not to let it aid the wealth and prosperity of the South alone. And while they assume this ground, and expect in it the sympathy of the anti-slavery and commercial nations of Europe, they adopt a narrow, prohibitive, commercial system, altogether ignoring the world's commercial education for the past twenty years.

It is manifest that upon the union with the South the power of the North and its commercial prosperity mainly depend. The cotton, rice, tobacco, and sugar crops of the South are five-sixths of the whole exports of the country... Therefore the North cannot give up the conflict till convinced of its utter hopelessness... The South is of course impelled by similar motives, and, if conquered, all they have spent is lost; and moreover they would be saddled with an enormous debt incurred for their own subjugation. It is easy to see that, both in their views of human freedom and freedom of trade, the differences of the North and South are radical and not to be reconciled...

Next comes the question of the ability of either section to maintain a protracted contest. We have found no reason whatever to doubt this ability on either side... The present sufferings of the South may be much the greater, but the North is laying up for herself a weight of debt and taxation which will spread the penalty over lengthened years, and probably carry it down to generations yet unborn ... We are forced into the conclusion that the war will be a long one – to last for years unless foreign powers interfere, of which, however, we see no prospect.

William concludes this *tour de force* with a desperate plea for British merchants to seek any and every other country in the world where cotton may be grown and to establish alternative sources of supply with the utmost urgency.



Earl Russell

The succeeding Neill Bros circulars repeat the same points over and over again but, in both political and commercial circles in Britain, their views are in a small minority. *The Times* is still expecting the war to end at any time. In March 1862, the Foreign Secretary, Earl Russell, declares that he expects the termination of the war within three months.⁴⁰ In consequence, the cotton trade continues in its complacency. According to the Neills: 'The letters from Liverpool show that very mistaken notions prevail there as to

⁴⁰ *Leeds Mercury*, 14 March 1862

the probable receipts of cotton during the remainder of the present season. The presumption appears to be that the bulk of the crop would be shipped. Here [New York], the opposite extreme of opinion prevails.⁴¹ The opposite opinion proved to be correct. The circular of 15 March 1862 spells it out in figures. At that date a year earlier, more than a million bales of American cotton were in Liverpool or on the water. In 1862, the figure is 166,000 bales.⁴²

By the time of the circular of 23 May 1862 (from Manchester), Neill Bros were relieved to know that their consistent prophecies on the duration of the war were now believed. 'The real gravity of the American civil war has come at last to be generally understood.'⁴³ However, the trade still clung to the hope that the blockade would shortly end, or be made ineffective, and that American cotton would soon come again in quantity to Liverpool.

Cotton feast to cotton famine

The Neill Bros circular of 15 July 1862 was a hymn of self-congratulation. They referred their readers to their circular of a year earlier, repeated what they had said then, and pointed out that they had been correct on every important issue.⁴⁴

This, indeed, was true. They had been right in saying that both North and South possessed the means and the will to continue the war to the bitter end, and that it would not be over in one, two or three months, as most commentators prophesied. They had been right in saying that Britain would remain neutral, and would not intervene to break the blockade and ensure continued supplies of cotton. They had been right in saying that, in consequence of this neutrality, and of the blockade, and of the Confederacy's embargo on cotton, almost no American cotton would reach Britain for the foreseeable future.

This was an impressive achievement, since the Neills were in a minority of supposedly informed opinion on all three issues. One cannot blame them for blowing their own trumpet but, and especially given the continuing uncertainty as to the duration and outcome of the war, it was undeniably hubristic.

Now that there was near universal acceptance in Britain of the three points that the Neills had insisted upon, the entire emphasis of the cotton trade – and of the Neill Bros circulars – switched to the issue of how to cope with the utterly changed circumstances, and it stayed that way until the war ended. Of the many thousands of words the Neills would write up to April 1865, few dealt with the politics: they were mainly concerned with the minutiae of the cotton trade.

⁴¹ Neill Bros. circular of 19 December 1861 (*Liverpool Morning Post*, 4 January 1862)

⁴² Neill Bros. circular of 10 March 1862 (*Manchester Courier*, 15 March 1862)

⁴³ Neill Bros. circular of 23 May 1862 (*Manchester Courier*, 24 May 1862)

⁴⁴ Neill Bros. circular of 15 July 1862 (*Liverpool Morning Post*, 18 July 1862)

That trade remained in dire straits. Indexed on 1860, Britain's cotton consumption during the war years was: 1861 – 85; 1862 – 35; 1863 – 40; 1864 – 48; 1865 – 62. Compared with the average price in 1860, the average price in 1862-64 was three and a half times higher and, at its peak on 21 July 1864, nearly five times higher.

What could be done about it? Very little. In July 1862, the Neill circular complained that the world 'has arrived at a cotton famine without having made the slightest preparation to meet it.'⁴⁵ Yet any significant preparation that could have been made would need to have been made decades earlier. The fault was in allowing one source to have achieved a virtual monopoly of Britain's cotton imports.

When that source dried up, there was no immediate way of replacing it. In 1860, America grew 66 per cent of the world's cotton and more than 75 per cent of all cotton entering world trade. To put millions of acres of land in other countries under cotton cultivation would be a project of decades, assuming it could be accomplished at all, or accomplished profitably. Strenuous efforts were made, encouraged by Neill Bros, to increase imports from other countries and to develop new sources. This indeed happened but, since America had 80 per cent of the market when the war started, it would have needed a quintupling of the 20 per cent of the pre-war supply that was not American to replace the 80 per cent that was. That did not come close to being achieved.

The consequence was what became known as the Lancashire cotton famine, although it affected other parts of Britain too. Almost all mills worked a much shorter week. Many closed altogether. Tens of thousands of people were thrown out of work. Tens of thousands of families had an inadequate income or none at all. 'By early 1863, a quarter of the inhabitants of Lancashire, more than 500,000 individuals, received some form of public assistance.'⁴⁶



Lancashire cotton famine

In all this, there was an elephant in the room, and that was America. Had American cotton been removed from the equation for ever, a different, but stable, market might soon have developed. But America was not removed from the equation for ever. At some point, no one knew when, the war would end and American cotton would come back to the market. Not perhaps in the same quantity as before, or not immediately, but in quite large enough quantity to force prices down again. Every time the chance of peace seemed stronger, prices tumbled in

⁴⁵ Neill Bros. circular of 15 July 1862 (*Liverpool Morning Post*, 18 July 1862)

⁴⁶ S. Beckert, 'Emancipation and Empire: Reconstructing the Worldwide Web of Cotton Production', *The American Historical Review*, Vol. 109, No. 5 (December 2004), p. 1410

anticipation of higher volumes. Every time the chance of peace receded, prices rose. It was a speculator's dream. Once the impact of the war began to be felt in practice, the price of cotton was not only astronomically high by historic standards, but highly volatile.

One consequence was a drastic reduction in stocks held throughout the trade. No one wanted to hold stock. No one wanted to buy stock, whether of raw cotton or of finished goods, and find that a year later, or even a week later, the price was much lower. So, while scarcity of supply was the first and the greatest problem, even when the market had become used to its shrunken size, it continued to be bedevilled by volatile prices.

As best they could, the Neill circulars guided the cotton trade through this minefield. For a company whose expertise in the cotton crop lay entirely in America, they had suddenly to become informed about many far-flung parts of the world – India, China, Egypt, South America – of which they had no direct knowledge or personal experience, and to produce accurate estimates of both supply and price from these sources. As far as can be judged (and helped by the fact that the Neills never failed to point out when they were proved right), they performed this impossible task as well as can reasonably have been expected.

They certainly never hesitated to go on the attack against anyone who attacked them, or who made predictions that they regarded as risible and dangerous. Their particular *bête noire* was *The Times*, and more especially its New York correspondent and the 'extraordinary series of fictions which emanated from [his] visionary brain'.⁴⁷ Another target was an anonymous critic of theirs who called himself Veritas. 'There is nothing else in the arguments of 'Veritas' to which weight can be attached. Beyond this, his statements are merely an example, and not a very brilliant example, of the rule that figures may be used to prove anything'.⁴⁸

Right though the Neills may have been on the specific issues that they contested with their critics, there is again a good deal of hubris in their statements. They were not always popular with sections of the cotton trade.

The collapse of Neill Bros

A great deal of information about Neill Bros & Co is not available. The British and American partnerships were separate entities. Their shareholdings may not have been identical. No accounts exist. Although it is known that, many years later, their circulars were available on paid subscription only, at the time of the civil war they were probably circulated freely as a public relations exercise. In which case, the sole income of the partnership would have come from trading cotton. What proportion of that income went into the respective pockets of William and Henry Neill is unknown. It is therefore impossible to know how the civil war affected each brother individually, but the effect must have been drastic for them both.

⁴⁷ Neill Bros. circular of 1 January 1865 (*Leeds Mercury*, 6 January 1865)

⁴⁸ Neill Bros. circular of 1 February 1865 (*Glasgow Daily Herald*, 4 February 1865)

There is no evidence that Henry did anything during the war to find new sources of income – unless, of course, he was regularly involved in blockade-running (see the separate article on *Henry Neill and the American Civil War*). William, on the other hand, was as active as ever. Between August 1863 and March 1864, he was named as a director of no fewer than three new banks: the Ottoman Financial Association Ltd, the Warrant Banking Company, and the British and American Exchange Banking Corporation.⁴⁹ The launch of the latter bank, and its potential threat to the New York business of Brown, Shipley & Co, was cited as a major factor in that company setting up a London office. However, the B&AEBC ‘quickly fell in to the hands of a stockjobbing clique and collapsed before the enterprise could be got underway’.⁵⁰

More to the point (and with fatal consequences), William put his money where his mouth was and, sometime in late 1863, became involved with cotton production in Turkey. ‘The new ginning factory, established by Messrs. Neill Brothers of London, ... was opened on Monday last, the 30th of November, and being the first industrial enterprise of the kind in this part of Turkey, the event excited considerable interest.’⁵¹ The Neill Bros circular of January 1864 stated that William was in Turkey, presumably for the opening.⁵²

On 10 August 1864, the directors of the Cotton Supply Association held a dinner in Manchester for the vice-president of the Imperial Cotton Commission of Anatolia. William Neill attended the dinner and spoke at it:⁵³

Mr Neill gave an account of his recent tour through some of the cotton districts of Turkey, and spoke very highly of the energy of the people. He was informed that from 80,000 to 100,000 small bales of American cotton might be expected this next season from Macedonia alone, and that this was the result of a few barrels of seed sent out by the association some years ago. (Hear.) It was likely that the whole of Turkey would this year export cotton to the value of twelve million sterling, which was equal to about two-thirds of the value of the imports of American cotton ten years ago.

With the high prices now obtaining, two-thirds of the value was nowhere near two-thirds of the volume. Besides which, much of the export crop would go to countries other than Britain. However, if realised, this would still have been a great achievement. It was not realised.

Everything began to unravel. ‘In Turkey the crop has been so kept back by the rains that no regular supply or quotations in the ports have yet been established.’⁵⁴ ‘There has been

⁴⁹ *Glasgow Herald*, 16 February 1864; *Liverpool Albion*, 21 March 1864; *Dundee Courier*, 23 September 1863

⁵⁰ E. Perkins, *Financing Anglo-American Trade: the House of Brown 1800-1880* (Harvard University Press, 1975), p. 64

⁵¹ *Burnley Free Press*, 2 October 1864

⁵² Neill Bros. circular of 10 January 1864 (*Manchester Courier*, 13 January)

⁵³ *Manchester Courier*, 12 August 1864

⁵⁴ Neill Bros. circular of 1 December 1864 (*Belfast News-Letter*, 6 December)

scarcely, during the past month, any relief to the depression which has characterised the trade ever since the opening of the year, and the downward course of prices has been yet more rapid than before.⁵⁵

Worse still, William Neill's judgment was deserting him. Having gone far out on a limb, and been vindicated, he stayed on that limb for longer than it could support him. On 1 April 1865, the Neill brothers issued what was to be their last British circular: 'When the impossibility of finding any basis of peace ... is taken into consideration ... the balance of probability appears largely in favour of such a protraction of the struggle as President Lincoln ... evidently anticipates.'⁵⁶

Eight days later, the Confederacy surrendered and the civil war was over. Six days after that came the first news that Neill Brothers & Co was suspended from trading in Britain.⁵⁷ A few months later, the firm was declared bankrupt.⁵⁸

**Date of execution by Debtors—4th September, 1865.
Names and descriptions of the Debtors, as in the Deed—
William Mayne Neill and Henry Montgomery Neill,
both of No. 5, Lime-street, in the city of London,
Merchants, carrying on business, in copartnership,
under the style or firm of Neill, Brothers, and Co.**

The bankruptcy must have been caused by the Turkish venture. The firm may not have been making money, but it would not otherwise have been losing it. Would William

have embarked on the scheme had he not been convinced that the civil war would drag on indefinitely? Surely not. Was the failure in Turkey the result of (borrowed) investment in a venture that could not deliver, or of the firm being caught holding stock in a falling market? Subsequent reports suggested it was the latter.

If so, that would be incredible. No one understood better than the Neills the dangers of having an overpriced stock of cotton in those times, and no one understood better the effect that the end of the war would have on prices. They had been pointing these things out to the world for years. One is forced to conclude that Neill Bros was broken by the very factor that had made its reputation a few years earlier: their expectation of the duration of the war.

There were probably quite a few people in Liverpool, Manchester and London who derived satisfaction from the demise of Neill Bros. The *Levant Herald* felt differently, in this otherwise grossly inaccurate report:⁵⁹

⁵⁵ Neill Bros. circular of 1 April 1865 (*Manchester Courier*, 5 April 1865)

⁵⁶ Neill Bros. circular of 1 April 1865 (*Manchester Courier*, 5 April 1865)

⁵⁷ *Belfast News-Letter*, 15 April 1865

⁵⁸ *Burnley Free Press*, 2 October 1864; *London Gazette*, 15 September 1865; *Levant Herald*, 19 April 1865

⁵⁹ *Levant Herald*, 19 April 1865

We are sincerely glad to be able to say that the report thus indiscreetly circulated has only the most shadowy foundation. The very latest advices state that the temporary difficulty occasioned to this eminent firm by the recent panic fall in cotton has been tidied over, the confidence and sympathy of their connections enabling Messrs Neill, Brothers, & Co to meet the pressure in a manner which has left their high credit unimpaired. Were it otherwise, the fact would be a real misfortune for cotton culture in the Levant, which owes more to the generous enterprise of this one firm than to half Manchester and Liverpool combined.

The next Neill Bros circular did not appear until 24 October 1865, and it was issued from New York.

Crawling from the wreckage

The four years of the civil war were extraordinarily eventful for the Neill brothers, and for Henry in a personal sense as well (see *Henry Neill and the American Civil War*). The public profile of Neill Bros had never been higher: the cotton trade in Britain clamoured for information and the Neill circulars never failed to provide it. But, apart from the circulars, the Neills no longer had a business. The British firm was bankrupt, and the American firm cannot have been much more than a shell. The Neills had to start again when the war was over.

William and Henry were resilient men and they were determined to rebuild their business. 'After the war ended, Neill Bros. made the South partially legible again when it dispatched three reporters [in fact, Henry and William themselves and their employee Charles Todd] to assess the crop in the cotton states.'⁶⁰ Accompanying William was his old friend, the journalist E. L. Godkin,⁶¹ founder of *The Nation* and editor-in-chief of the *New York Evening Post*:⁶²



E. L. Godkin

A recent circular from an English house well known in the cotton trade, and conspicuous for many years by their trustworthy statistics, of cotton – the Messrs. NEILL BROTHERS – gives us some very interesting data on this important topic. The different partners have traversed carefully, since the war, the various portions of the cotton-growing States – one taking the Atlantic States, another Tennessee and Northern Alabama and Mississippi and a third Arkansas, Louisiana, Red River and Texas.

Widely conflicting estimates of the Southern stocks of cotton have been confidently put forward since the surrender of the rebel armies, some running as high as 5,000,000 bales, and others as low as 500,000.

⁶⁰ J. Pietruska, 'Cotton Guessers': Crop Forecasters and the Rationalizing of Uncertainty in American Cotton Markets, 1890-1905', in H. Berghoff and others (ed.), *The Rise of Marketing and Market Research*, (New York: Palgrave Macmillan, 2012), p. 51

⁶¹ W. Armstrong, *E. L. Godkin: A Biography* (New York: State University Press, 1978)

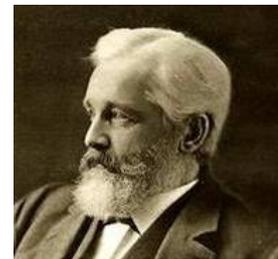
⁶² *New York Times*, 12 December 1865

The most favorite figures, and those which it was understood the Treasury Department had sanctioned, from investigations made for revenue purposes, being 1,500,000 bales of all kinds, old and new. The Messrs. NEILL, however, have arrived at the conclusion that the supply will count up from 2,000,000 to 2,100,000 bales, of which they estimate the old stocks at 1,650,000 bales, and the growth of this year at 400,000; and it appears by the data they furnish that more than half of the entire quantity, viz., 1,090,394 bales, have already been sent to market.

This fact alone seems to justify their estimate, that the total will not fall short of 2,000,000 bales, however much it may exceed it.

Already, though, the seeds were being sown of what would, three decades later, become a vast bone of contention in the cotton industry. The issue was the effect of the crop size, and predictions of it, on cotton prices. The arguments on this subject, which would engulf Henry Neill in the 1890s, first involved the Neill brothers in late 1865:⁶³

In 1866, Boston cotton manufacturer Edward Atkinson accused Neill Bros. of inflating their yield estimates for the South. Atkinson and the Neills feuded in the pages of the *Boston Daily Advertiser* and in private correspondence after Atkinson charged the Neills with issuing 'diametrically opposite' instructions in October 1865. They advised the public, who was told to anticipate 2 to 3 million bales on hand ... to wait; at the same time, they instructed private subscribers, who were given a less optimistic estimate, to buy.



Edward Atkinson

This argument, reported in detail in the British press – reveals that the Neills were now issuing two circulars, one for public consumption and the other privately to their customers.⁶⁴ There is no doubt that their estimates that month did differ radically. It is reasonable to assume that what they told their own customers is what they believed, rightly or wrongly. What is impossible to know is whether the discrepancy between the different forecasts was deliberate, whether it was the product of the considerable confusion that existed in America at the time, or whether William and Henry Neill held widely differing opinions on cotton stocks, which they did not co-ordinate.

The Neills of course defended their position, and they did receive an apology from Edward Atkinson. But the episode proves, if nothing else, the extreme sensitivity of cotton prices to crop forecasts, and the scope for manipulation of the market. Tellingly, William Neill reminded readers of the *New York Times* 'that Messrs. Neill Brothers & Co. are chiefly agents for English cotton buyers ... It will therefore be well to consider our position very carefully.'⁶⁵

⁶³ J. Pietruska, *Looking Forward: Prediction and Uncertainty in Modern America* (University of Chicago Press, 2018), p. 33

⁶⁴ *Liverpool Mercury*, 16 November 1865

⁶⁵ Quoted in Pietruska, *Looking Forward*, p. 33



Cotton fields in the American South

Forecasting cotton crops was difficult at the best of times. In the immediate aftermath of the civil war, it must have been close to impossible. In some areas of the South, cotton continued to be grown in quantity; in other areas, there was hardly any at all. William Neill (17 October 1865): 'Southern advices are not satisfactory. The negroes seem to be nearly all leaving the plantations & wandering about.'⁶⁶ Henry Neill

(18 October 1865, from Columbus, GA): 'On the journey to-day I did not see any cotton growing whatever, and, although it is a farming country, only two negroes planting in the whole 100 miles.'⁶⁷ Henry Neill (20 October 1865, from Montgomery, AL): 'We found no cotton whatever growing on the route, though it was once a great cotton country.'⁶⁸

In the years to come, the problems would not get any easier. In a localised, piecemeal production, individual growers acted in no co-ordinated way. When cotton prices were high, more cotton was planted. As a consequence, in the next season, volume increased and prices fell, so less cotton was planted. The *Richmond Dispatch* expanded on the problem:⁶⁹

The mania for greenbacks and the high price that cotton has been lately bringing, we fear will induce the planters of the South to put too much land in cotton next year. The ordinary calculations of prudence and sound reasoning should premonish them against such a policy.

Why is it that cotton sells at such enormous prices as now? Plainly because of its scarcity. And the price will inevitably decline as the production increases. Messrs. Neill, Brothers & Co., of New Orleans, well known for the accuracy of their statistics regarding cotton, estimate the present stock of cotton in the United States, old and new crop, at something over two million bales. If this be true, which we do not doubt, a large crop next year, say four million bales, would unquestionably bring down the price to ante-war rates. On the other hand, a crop of half that amount would probably not materially decrease the price. Would it not, then, be better for the people of the South to raise only two million bales, which would bring them as much money in the markets of the world as four millions?

This sensible argument would later be made redundant, as it became clear that cotton farmers had little economic alternative to planting more and more cotton. It would then be forgotten altogether in the 1890s, when the newspapers of the American South descended like a hurricane on Henry and preferred to blame him for the overproduction.

⁶⁶ Letters of William Neill

⁶⁷ *Liverpool Mercury*, 16 November 1865

⁶⁸ *Liverpool Mercury*, 16 November 1865

⁶⁹ *Richmond Dispatch*, 28 December 1865

While William was with E L Godkin in the Southern states in late 1865 (visiting Memphis, Galveston and New Orleans), his letters home to his wife Susan from New Orleans laid out plans for the future of Neill Bros:⁷⁰

24 December 1865: Many of our friends want us to buy cotton for them there [New York] and it seems a pity not to gratify them and at same time lay the foundation for a profitable business for Henry during the summer instead of having him loafing at Fishkill [the family home of Mary Schultz, by then his wife] all the time... The idea that the crop wd be nearly all in by Decr proved a mistake... Long after the southern ports are cleared N York will have plenty of cotton.

14 January 1866: I have given up the Memphis idea in favor of Galveston & chiefly because Charles can do there and I should have been required for Memphis which I know you would not relish... The fact is that New York has become the great focus of the cotton trade drawing from here from Memphis from Galveston Mobile Charleston & Savannah and there is every prospect of our doing a splendid business if we re-open there. Formerly it was a poor cotton mkt but all that is changed by the war and by the crowd of steamers from there which are now carrying on the trade. These take the cotton across so rapidly that we may execute an order over & over half a dozen times in the course of the season & thus earn five or six commissions while here we can only do it once or sometimes twice in the season. Thus with the same number of customers we could do four times the business and make our fortunes in a fourth of the time! ...

The fact is we are emboldened by seeing the position in New Orleans. There are comparatively few of the old cotton houses now in the trade and although very small orders come now to this port it is so far away & prices are too high we have got an unusual number of them.⁷¹ We have orders at present from over forty different people but are throwing away our opportunities if we don't open at New York and thus benefit by the valuable name as authorities (which we have this season more than ever) all the year round instead of only for six months which is the case here. Henry will probably be leaving here by 1st April & from then till Octr a full six months we should have expenses running on & no business if we have not an office in New York. The plan is to open there in April when he gets north I finding him all the business I can when I get home and then for me to come out in the fall to relieve him – probably early in Septr next, before the rough weather & in time for you to see the autumn foliage on the Hudson etc.

There is no evidence that this did happen, but it probably did. William and Susan Neill almost certainly spent the following winter (1866/67) in New York, while William and Henry decided on the future operation of Neill Bros. This would also have provided the opportunity

⁷⁰ Letters of William Neill

⁷¹ This is corroborated by a New Orleans newspaper: 'Mr. [Henry] Neill's business grew rapidly, and in the years 1865, 1866 and 1867 he was recognised as one of the largest buyers of cotton in this market.' (*The Times-Democrat*, 13 September 1906)

for William and Susan to adopt Charlotte Edings, whom they brought back together to England in May 1867.⁷²

Afterwards, it seems that the brothers increasingly went their separate ways. William was based in London. Henry remained in New Orleans. The business continued to be listed in the New York directories (at 134 Pearl Street) until 1875, and it was constantly in the New Orleans directories, mostly at 198 Gravier Street. Henry went into partnership with Charles Todd, but that was dissolved in July 1876.⁷³ From 1878 onwards, the New Orleans listing was under the name of Henry Neill & Co, no longer of Neill Bros. The British partnership of Neill Brothers & Co came to be between William and a George Thomas Edington. That partnership was dissolved in 1884,⁷⁴ but it appears that Neill Bros & Co continued to exist in England. William had for some time been concentrating on other commercial interests in addition to cotton.



Degas, 'The Cotton Exchange, New Orleans'

Whatever the corporate circumstances, what is certain is that, from the low point of 1865, Henry built his business and his reputation over the next 30 years to become 'the greatest cotton crop estimate expert in the world.'

Jim Powell, 14 March 2022

⁷² Memoir of Joseph Eccles, letter of William Neill, held by the author

⁷³ *The Times-Picayune*, 4 July 1876

⁷⁴ *London Gazette*, September 1884