

The Egyptian Cotton Crisis.

By J. B. (Jerusalem).

For decades the **cultivation of cotton** has formed the basis of Egyptian economy. This is best illustrated by the fact that of the yearly Egyptian export total of about 60 million pounds sterling, no less than 84 per cent. falls to the share of cotton, this item alone rendering it possible for the trade balance of the country to remain favourable despite the very heavy import figure.

Thanks to the special quality of Egyptian cotton (a variety known as "Sakellaridis") its sale long enjoyed a practical monopoly, especially in Great Britain. Prices could be maintained at such a level as would afford the Egyptian peasants, most of whom were engaged in growing cotton on small leasehold lots, a sufficient livelihood.

British manufacturers, however, did all in their power to emancipate themselves from Egyptian cotton. Extensive cotton plantations in various British colonies and finally the separation of the Sudan from Egypt and the reservation there of a vast territory for the cultivation of cotton, a step effected by a British ultimatum against the will of a protestant Egypt, were all measures intended to enable the manufacturers of Lancashire, the most important British textile district, to acquire cotton at cheaper prices.

Added to this, the United States, at all times the most important rival of Egypt in the production of cotton, were able to record an unprecedented crop of 16½ million bales of the commodity, a fact which naturally very materially depressed the prices on the international cotton market.

These circumstances led to the great Egyptian cotton crisis which is at present engaging the entire attention of the Egyptian public. The cotton prices fell rapidly, sales declined, and the Egyptian peasantry saw itself faced with a desperate situation. The budget of the small Egyptian cotton planter, averaging about 60 pounds a year, was encumbered, in view of the impossibility to sell the cotton, with deficits amounting to from 50 to 70 per cent., which spelt either immediate ruin for the farmers in question or else their permanent indebtedness to money-lenders.

To make matters worse, the ground-rents due by the planters to the proprietors of the land, are still reckoned on the basis of the former high price level of cotton, which exceeds the actual revenue of the peasants by about 300 per cent.

The crisis is far too incisive not to necessitate speedy relief

measures on the part of the Government of Adly Pacha, since the latter owes its existence to the national Wafd party, which again relies on the favour of the peasantry. And, indeed, the Government has assigned to the farmers a sum of 4 million pounds for creditary advances, at the same time decreeing that for the next three years the area under cultivation is to be restricted by one third its extent.

These measures have, however, proved insufficient. In the first place, the creditary relief for the farmers is altogether illusory, seeing that, under pressure on the part of the bankers, themselves speculators in cotton, its terms have been made highly disadvantageous, viz., 4 per cent. interest, 4 months' validity, and all transport and other charges to the debit of the farmers. According to a statement by the Minister of Agriculture, therefore, not even one tenth of the allotted sum has actually been taken up. Secondly, it has not been found possible to raise the cotton prices. Nor will this end be attainable by a reduction of the area under cultivation so long as the Egyptian planter is on the one hand exposed to the competition of the cotton produced in the Sudan under conditions of practical slavery, and on the other hand limited to the British market instead of being able to dispose of his cotton in the country itself.

The misery of the Fellahs is constantly on the increase. The newspapers contain detailed descriptions of the want prevailing in the villages most affected by the crisis and even report cases of suicide. Peasant delegations repeatedly implore the governmental authorities to come to their aid. The crisis is spreading to the towns, where it naturally arouses increasing unrest.

The reactionary "Ittehad" party is profiting by the embarrassment of the Government for the purpose of intriguing against it and counteracting its measures by means of the banks and proprietor-associations (especially the "Agricultural Syndicate", which strenuously opposed the relief action for the peasantry and attempted still further to press down the cotton prices). Meanwhile, the British Press betrays malicious satisfaction and oppines that, after the luxurious life he has been leading since the war, the Egyptian fellah will now have to retrench a little.

Even within the Government parties, however, class differences are making themselves felt. Zaghlul Pasha's organs have initiated an energetic propaganda in favour of a reduction of rents by the landed proprietors for the benefit of their tenants. The only one to obey this call, meanwhile, has been Saad Zaghlul Pasha himself, who has reduced the rents due by small farmers working on his estates to one half, or even one third, their former level. The other members of the Wafd, among them there are several land-owners, have as yet not found it incumbent upon them to furnish practical proof of their patriotism.

The economic crisis in Egypt is thus on the point of turning into a political and social one. Under the stress of wholesale misery, the carefully hushed-up conflict with Great Britain will at length break out, while within the national movement and its stronghold, the Wafd, the antagonism between the suffering peasantry and the landed-proprietors is bound to come to a head.