The project to build a railway linking Burma and southwest China in the 1880s and 1890s is usually associated with A.R. Colqhoun and Holt S. Hallett. Their proposal was that a railway should be built from Moulmein (now Maulamyaing) through the Shan States to Ssumao (now Simao) in southwest China. The projected line would go through Siamese territory and Hallett offered his services to the Siamese Government to enable a branch line to be built from Bangkok. These services were rejected and in 1884 Hallett approached the Government of India directly seeking support for the line to Ssumao. He was only able to secure a promise that it would ‘keep an open mind’. Hallett then placed his hopes on a press campaign in Britain and India. A direct approach to the Foreign Office was unsuccessful but his lobbying of the chambers of commerce resulted in ‘a surprisingly successful and widespread outcry for a railway’. There was support particularly from the London and Manchester chambers, Manchester leading a delegation, on which Liverpool, Glasgow and London were represented, to the India Office. Manchester’s support sprang from concern about the decline in the value of cotton exports during the previous decade. The opening up of unprotected markets in China offered a solution to that problem. Hallett also received some support from Lord Randolph Churchill at the India Office after the fall of the Liberal Government in July 1885. Churchill saw the railway as a powerful agency against growing French influence in
MAP I: Burma–China Railway: Places mentioned in the text
Burma-China Railway

Siam. The Government of India, however, did not share his enthusiasm, arguing that the line would not bring any great direct benefit to India. The Viceroy, Dufferin, also thought that the scheme was impracticable, the natural route to China not being through Siam but through Upper Burma via Bhamo. The Hallett–Colqhoun scheme was rejected.4

Despite this setback Hallett and Colqhoun continued to peddle their claims for the railway. Their vision was a grandiose one. In the difficult days for British trade in the late 1880s new markets had to be found. Railways would enable British trade to penetrate the interior of Africa and Asia. In Asia, Hallett argued, Britain had clear advantages. She possessed India and Burma and was thus next door to the landlocked western half of China. There was, he claimed, a practicable route into China. When built, the railway from Burma to China would become the nucleus of a railway system linking the Persian Gulf with the China Sea. This railway would develop the richest part of Asia, thwart the ambitions of France, and provide vast markets for British goods.

Our policy, political as well as commercial, should be to develop by every means in our power our intercourse and intercommunication between India and China – between British manufacturers and millions of Chinese and Shan customers ... We are a nation of shopkeepers, and it is by trade that we live. Every nerve should be strained by the manufacturer and working man to gain for British commerce the great market existing in Western China.5

This rather simplistic approach ignored the complexities of British diplomacy in South East Asia. The proposal to build a railway from Burma into the Chinese province of Yunnan was inextricably intermeshed with the problem of Anglo-French rivalry in Siam and southern China.6 In 1895 Lord Salisbury, for the Foreign Office, conducted extensive negotiations with the French which culminated in the Anglo-French Declaration of 1896. Article IV of the Declaration agreed that all commercial and other privileges in Yunnan and Szechwan conceded by China to Britain or France should be common to both.7

By this time there were two rival schemes for a rail link with China. Hallett’s and Colqhoun’s project of a line from
Moulmein to Ssumao, which would pass through Siamese territory, had won support from commercial interests in Britain as represented by the chambers of commerce. The alternative scheme was for a line from Mandalay to Kunlong Ferry, just short of the Chinese border. This latter scheme had attracted the interest of the India Office and the Indian Government who saw its strategic possibilities; in an emergency it could be used to transport troops into South China. However, there was no unanimity of view within the British Government. The Foreign Office was not convinced of the railway’s value and only agreed to consider the scheme with some reluctance. After 1898, in the wake of the rush by the Great Powers to extract concessions from the Chinese Government, there was increased fear in some circles in Britain of French penetration into Yunnan by means of the Tonkin–Yunnan Railway. The Foreign Office, however, continued to oppose any project to extend the proposed Mandalay–Kunlong Ferry Railway into Yunnan and during the negotiations in Peking with the Chinese Government in 1898 on possible British concessions in China, Salisbury had dropped the demand for a British right to build a railway into Yunnan. At the India Office, the Secretary of State, Hamilton, and his Chief Permanent Secretary, Godley, favoured such an extension on strategic grounds but Curzon, the Viceroy from 1901, was opposed and by the end of 1902 the scheme was officially dead. But even after this date there was some residual support within the India Office. These differences within the British Government were of course unknown to the general public or to the commercial lobbyists.

The most flamboyant lobbyists, Hallett and Colqhoun, during the early stages of their campaign in the mid 1880s had approached the Liverpool chamber of commerce for support for their proposed railway. Hallett had addressed the chamber in 1885 and Liverpool had joined the Manchester chamber’s delegation to the India Office. Colqhoun had pressed that Hallett should give another lecture to the chamber in late 1887. By this time the India Office and the Government of India had decided against the Hallett-Colqhoun scheme and the Liverpool chamber showed no enthusiasm for any railway link between Burma and China.
However, in the early 1890s the chamber did renew its interest in such schemes. For the next decade the chamber tenaciously pursued this interest. Even after the Burma–Yunnan Railway project effectively had been killed off by Curzon and the Government of India with the support of the Foreign Office, the chamber agitated throughout 1903 and 1904 for the building of a light railway from Bhamo up to the Chinese border. There was even a short postscript to the story for in 1912 the chamber again became interested in the building of this light railway.

Why did the Liverpool chamber of commerce become so involved in this campaign? Liverpool was not directly involved in looking for new markets for cotton goods as Manchester, Blackburn and other chambers were, although no doubt as a port she would benefit from any increase in trade. For most of this period the Liverpool chamber was in fact out of step with many other chambers of commerce and the Association of Chambers of Commerce in that it committed itself not to the Hallett–Colqhoun scheme which they espoused, but rather to the Mandalay–Kunlong Ferry scheme which was the preferred option of the railway enthusiasts in the India Office. This essay will examine Liverpool’s campaign and attempt to explain the reasons behind it.

In July 1891 the rival project to that of Hallett and Colqhoun, the Mandalay to Kunlong Ferry scheme, was put before the East India and China trade section of the chamber by one of its advocates, J. Ogilvie Hay. He claimed, not with complete accuracy, that steady progress was being made on the building of a line through Burma to China and that the Government of India had surveyed the proposed route from Mandalay to Kunlong Ferry on the Salween river close to the boundary with the Chinese province of Yunnan. Two members of the section, Robert Gladstone and R. Heap were deputed to look into the chamber’s past interest in a rail link with China and to report to the full council of the chamber.12

Unfortunately the minutes of the China and East India section do not contain even a summary of their report but they persuaded the chamber at the end of July 1891 to give its support to the proposed railway. Significantly one of the
authors of this report, Robert Gladstone, would be the major driving force behind the campaign in the years to come. The chamber having espoused the scheme now sent memoranda to the India Office and the long campaign began. The India Office replied cautiously. The importance of extending Burma’s railways was accepted as were the advantages of a rail link with China. The discussions and differences between the India Office and the Government of India over rival routes were concealed by the bland statement that a decision on the route could only be reached after much thought and careful enquiry.\textsuperscript{13}

In the meantime the lobbyists for the rival schemes continued their activities. Ogilvie Hay again pressed the Liverpool chamber to support the Kunlong Ferry scheme, arguing that there were good road communications between Kunlong and the capital of Yunnan, Yunnan-fu (now Kunming). The establishment of a commercial depot at Kunlong would lead, he claimed, to a ‘brisk trade’. He was also lobbying Liverpool’s M.P.s and encouraged the chamber to do so also.\textsuperscript{14} The chamber responded enthusiastically and in October of 1891, Edward Whitley, Conservative M.P. for Liverpool Everton, joined with it in urging the India Office to complete the survey for the railway. The Government of India had decided by this time to survey the route to Kunlong Ferry but cautioned that the terrain was very difficult and ‘requires most careful examination’.\textsuperscript{15} The India Office also continued to counsel caution, informing the chamber that progress on the survey was likely to be very slow, possibly not being completed until 1893, and stressing that the Government of India had only committed itself to the first stages of the railway’s construction.\textsuperscript{16} Reviewing the events of the past year the East India and China section decided in January 1892 that further representations should be made to the India Office later in the year.\textsuperscript{17}

At this stage the interest of the section faltered and in fact it failed to meet in July when further action in favour of the project was to have been considered. Interest only seems to have been revived by pressure from other chambers. Hallett, not being prepared to surrender the field to the rival Kunlong Ferry scheme, had successfully lobbied the
Blackburn and London chambers in 1892. Consequently London twice wrote to Liverpool arguing that the Hallett-Colqhoun scheme would be the cheaper to implement. The East India and China section was not, however, convinced, rather its commitment to the Kunlong Ferry scheme was reinvigorated and further approaches on the progress, or lack of it, of the survey of the line were made to the India Office in October 1892 and March 1893. Neither approach produced a fully satisfactory answer. Impatience at the seeming lack of progress led to further representations in the spring of 1894 which produced the reply from the India Office that although work had not started on the construction of the railway, a detailed survey had been completed from Mandalay to Thibaw, about half way to Kunlong Ferry. Eventually in October 1895 the India Office finally informed the chamber that the survey of the remaining stretch of line from Thibaw (now Hsipaw) to Kunlong Ferry had been completed and that the Government of India was examining the financial implications of building the line. No actual construction work had been started but it ‘would be proceeded with as soon as practicable’.

By this time the chamber had lost patience at the lack of progress and joined the Leeds and Manchester chambers in demanding that the line should be built without further delay. Liverpool did not agree with the other chambers on the route the line should follow, which accounts for their vaguely worded demand. The line should reach the borders of South West China at such a point as will increase the facilities for commercial traffic with the populous provinces of Yunnan and Szechwan, especially as the French are so actively stirring to develop trade with the same provinces through Tonkin.

Despite the coolness of the Foreign Office, Chandran argues that a firm decision had been taken by the India Office by September 1895 to encourage the Government of India to make an early start on the line. It was not until March 1896 that the India Office informed Liverpool that some construction work had been started at the Mandalay end of the line. Again the chamber seemed to lose interest in the project and although there was some desultory discussion in
April 1896 of the advantages and disadvantages of the line to Kunlong Ferry, no further action was taken.23

The discussion of April 1896, without casting any great light on it, raises another intriguing question. In supporting the Mandalay–Kunlong Ferry project the Liverpool chamber was out of step with commercial circles generally, as represented by the chambers of commerce and the Association of Chambers of Commerce, which favoured the alternative Hallett-Colqhoun line which would cross Siamese territory and terminate at Ssumao in eastern Yunnan. At the annual general meeting of the Association of Chambers of Commerce, in response to strong pressure from the Leeds and Blackburn chambers, support was pledged for the Moulmein–Ssumao line. Salisbury for the Foreign Office and Hamilton for the India Office agreed to meet a deputation of ten M.P.s and thirty-five representatives of the chambers on 12 June 1896. Liverpool was not represented in this deputation. The meeting was a success for the chambers for Salisbury accepted that, although the Government could not be directly involved in railway building in a foreign country, if a viable company was established to build railways in Siam or China, then it would help as far as it could within British territory.24 The Association of Chambers of Commerce used Hallett to press both the Foreign Office and the India Office that the Government should conduct a survey for the line to Ssumao. The India Office sought the views of the Government of India which replied in March 1897 that Ssumao was of no commercial importance and that France was better placed to enter eastern Yunnan than a British railway through Siam. The Mandalay–Kunlong Ferry line was the natural route to western Yunnan where the real wealth of the province was supposed to lie. This reply and Siamese opposition strengthened the India Office’s objections to the Hallett–Colqhoun line.25 Liverpool was thus at one with the India Office rather than with the Association of Chambers of Commerce over the most desirable route into south west China.

In 1897 the Association was much agitated about the recently negotiated Anglo-Chinese Convention and opposed ratification. It argued that France had established a
more favourable position than Britain from which to penetrate into south west China and wanted vigorous action from the Government of India on the construction of the first section of the Burma–Shan–China railway. It contended that the French Government was planning to extend the Tonkin Railway into Kwangsi (now Guanxi-Zhuang) province and had extracted a concession to do so from China. The Association argued that Britain should apply similar pressure on behalf of the Burma–Shan–China railway which should not terminate at Kunlong Ferry but at Ssumao, 150 miles further into Chinese territory. As the necessary survey for the line was beyond the means of private capital it should be paid for by the Government, a small contribution if compared to that being made by the French Government. Chandran argues that the Government was irked that this hefty memorial ignored the opening of the West River and other privileges secured under the Anglo-Chinese Agreement because of the chambers' obsession with Ssumao.

Liverpool was invited to join the memorial. The East India and China trade section discussed the arguments but, presumably because of the chamber's support for the Kunlong Ferry route, refused to take any active steps to support the Association. Similarly it was unwilling to support further pressure from the Association on the Government in June 1898 that a consul should be appointed at Ssumao to prepare an early report on its commercial importance and that plans for the building of the Burma–Shan–China Railway, i.e. the Moulmein to Ssumao line, should be implemented by the Government of India. Salisbury had agreed to meet a delegation at the Foreign Office to discuss these issues but the East India and China Section felt that it was 'not desirable to press the subject of the Burma–Siam–China Railway upon the attention of the British Government'. The Liverpool chamber thus stood aside from the Association's campaign and continued to express its preference for the Mandalay–Kunlong Ferry scheme.

In 1898 the Liverpool chamber's campaign entered a new phase with pressure for the Mandalay–Kunlong Ferry line to be extended into Yunnan. However, in negotiations with China in Peking in 1898 about further British concessions
Salisbury’s Government had quietly dropped the demand for the right to extend any Burma–China Railway into Yunnan. The press and commercial pressure groups, such as the Liverpool chamber, did not of course know of this. The appointment of Curzon as the new Viceroy of India seemed to provide the chamber with an appropriate opportunity to memorialize the India Office and the Government of India on its concerns. To prepare for the memorial, Darlington, a member of the East India and China section, was instructed to prepare a pamphlet on the need to extend the Burmese railway system into China. The pamphlet rehashed many of the ideas popularised by Hallett, Colqhoun and others that there was a vast potential market for British goods in South West China, particularly in Yunnan and Szechwan (now Sichuan), and that this market was already being penetrated by the French. The French Government was vigorously supporting its businessmen, insisting that China abide by its treaty obligations, with the result, Darlington claimed, that French goods were only paying likin (transit tax) once whereas British goods entering Yunnan were subject to three times the level of the dues on French goods.

The eventual memorial to Curzon contained an account of the chamber’s interest in a railway between Burma and China. As sharers in the China trade the chamber had thought Hallett and Colqhoun’s scheme initially very promising. The weakness of that scheme was a political one as the projected line would pass through Siamese territory and therefore in more recent years the chamber had given its support to the campaign for the speedy construction of the line from Mandalay to Kunlong Ferry. Kunlong Ferry was a mere twenty-five miles from the Yunnan border and there was no great obstacle to the extension of the line from there to Yunnan-fu and eventually to the open waters of the Yangtze. The distance from Kunlong Ferry to Chungking on the Yangtze was about 850 miles. The chamber was disappointed at the serious delay in building the Mandalay–Kunlong line for if steady progress had been made it would have reached the Chinese border by now. The line should be completed without further delay as it was the best approach to the populous provinces of Yunnan and Szechwan. Every
possible assistance should be given by the Government of India towards the survey undertaken by private capital of the route from Kunlong Ferry to Chungking (now Chongqing) and to the implementation of the scheme ‘should it be found a desirable one for trade traffic’. If the physical obstacles to reaching Yunnan-fu by this route proved insurmountable, alternative schemes should be considered. The chamber, contradicting its earlier opposition to the Hallett-Colquhoun proposals, suggested that if necessary an agreement should be reached with the Siam Government to carry the railway through its territory to the Chinese frontier near Ssumao as a step towards Yunnan-fu and the Yangtze valley.

It was ironic that this memorial was addressed to Curzon. When Salisbury had met a delegation, which Liverpool had refused to join, from the Association of Chambers of Commerce in June 1898, Curzon had warned him to be careful. He argued that the only valuable parts of Yunnan were in the north and north west and could be reached from the Yangtze. The only justification for a Burma–Yangtze railway would be to help crystallise Britain’s projected sphere of influence in the Yangtze valley into something approaching a protectorate. The line would in that case facilitate the rapid transport of Indian troops to the Yangtze.

By the time the Liverpool chamber again pressed the India Office in June 1898 on what progress had been made in constructing the Mandalay–Kunlong Ferry line since January 1898, when work was supposed to have been actively resumed, opinion in many government quarters was turning against the practicability of a British railway into Yunnan. The Intelligence Division of the War Office opposed the scheme and the India Office noted that any benefit to India, commercial or strategic, from such a railway was very dubious. It was clear that only eighty-nine of the projected 273 miles of the line from Mandalay to Kunlong Ferry would be completed by the end of the year and Salisbury’s own view was that the construction of a railway into Yunnan was only ‘a dream’. The British Government had resurrected the application to the Chinese Government for the concession to build such a line but
Chandran suggests that this was merely for the sake of form. The India Office therefore replied to the chamber that the work was in the hands of the Burma Railway Company (the private company which now had the franchise for railways in British Burma), who should be contacted for the latest information. The Company’s latest report of July 1898 indicated that progress had been severely restricted by natural obstacles between Mandalay and Lashio, but that beyond Lashio active steps were being taken to secure the best possible route to Kunlong Ferry.

Despite the lack of progress Darlington, now chairman of the East India and China section, urged in September 1901 that the completion of the Mandalay–Kunlong Ferry Railway and its extension into Yunnan should be a priority for the chamber. As a result of his initiative the India Office was once again memorialised in October on the expediency of completing the line. The Government was also asked to guarantee the interest on the capital required to extend the line into China. Support for this memorial was sought from chambers of commerce throughout Britain and the Indian subcontinent. A number of chambers, notably Blackburn, Bury and Oldham, did promise support while others indicated that they would give it consideration.

Unfortunately, by this time the Intelligence Department of the Government of India at Simla had become increasingly critical of the projected railway link between Burma and the Yangtze. In January 1901 the Indian Government indicated its loss of interest and informed the India Office that all work on the Mandalay–Kunlong Ferry line would cease at Lashio and only surveys of the remaining stretch of the route would be carried out. The India Office reluctantly accepted this but left the Indian Government in no doubt that it retained the right to require the Burma Railway Company to complete the line to Kunlong Ferry when it considered it opportune. The advocates of a Burma–China railway within the India Office were still convinced of its desirability and practicability despite opposition from the Foreign Office, the Government of India and the Burma Railway Company. Hamilton, the Secretary of State, was prepared to argue for the railway on strategic grounds as a counter to French activities in south China but Lansdowne
for the Foreign Office, in November 1901, dismissed the fears of the French threat and argued that such strategic reasons were not strong enough to justify a government subsidy. These differences within the government in late 1901 shaped the India Office’s reply to the Liverpool memorial. There was no unanimity of view even within the India Office for Lee-Warner of the Public Works Department, who was opposed to the project, wanted a categorical statement to be made that there was no likelihood of an extension into Yunnan ever being built. He was, however, overruled and a less harsh response was made.

The eventual reply, however, did little to meet the demands of the chamber. It informed the chamber of the Indian Government’s decision earlier in the year against the early completion of the line on the grounds that it would divert capital from the building of more profitable lines in India. On advice from the local government of Burma that the financial prospects for the final section to Kunlong Ferry were unfavourable, the Government of India had instructed that apart from survey work, no further work should be undertaken from Lashio. The chamber was also informed of the Secretary of State’s retention of the right to require the line’s completion. As for the extension of the line into China, the India Office did not have sufficiently reliable information on the possible costs or on the practicable feasibility to express an opinion. A decision would be taken after further information was available on the completion of the Viceroy’s current tour of Burma. This was as far as the India Office felt prepared to go in toning down Lee-Warner’s suggested outright rejection of any possibility of extending the line into Yunnan.

The re-examination of the Burma–Yunnan Railway project in Whitehall in late 1901 had been conducted without the knowledge of commercial circles but Curzon’s opposition was leaked to The Times in December 1901. It claimed that Curzon had denounced the Mandalay–Kunlong Ferry Railway as a waste of Government resources and that the projected extension into Yunnan would be a crazy scheme. Despite the anger of Hamilton and his officials in the India Office at this public announcement contrary to official policy and without reference to the home government,
Curzon continued to insist that it was his responsibility to advise the Government not to continue this ‘unprofitable and useless undertaking’. Although there was continued support within the India Office for a railway into Yunnan, Curzon’s coup had effectively killed the project in the eyes of the general public, a fact which was accepted without regret by the Foreign Office.\(^{42}\)

The India Office in January 1903 sounded the formal death knell of the project in its official reply to the Liverpool chamber’s 1901 memorial. It confirmed that the railway had been practically completed as far as Lashio but that in the interests of the province of Burma, the Government of India had doubted the wisdom of even going that far. The section to Kunlong Ferry, over one hundred miles further, would cost half a million sterling. The result would not justify the outlay as trade with China by this route was insignificant. (This was Curzon’s view.) Furthermore there was no prospect of developing local trade along the line. The population was too sparse and its purchasing power would have to be greatly multiplied before a profitable local trade could in any way be envisaged. Thus to pay its way the line would have to rely on through traffic which would necessitate an extension beyond the Salween. However, the consensus of opinion among engineers was that such an extension would cost at least ten million pounds and would take ten to fifteen years to build. On these grounds an extension beyond Lashio was considered unwise and an unjustifiable use of Indian funds.\(^{43}\)

Curzon had had his way and the Burma–Yunnan Railway project was dead but the Liverpool chamber’s East India and China trade section refused to relinquish its dream of a rail link between Burma and China and for the next two years, 1903–4, it campaigned for a light railway to be built from Bhamo in Burma to Momein alias Teng Yueh (now Teng-Chung) on the Chinese border. In this brief campaign it looked for support to a number of minor Government officials or former officials and to other chambers of commerce. The Section’s interest in this alternative light railway scheme sprang from information supplied by Major Cronin, a former deputy commissioner in the Burma local government, that there was considerable trade by mule pack
between Burma and China. The chamber suggested to the India Office in 1903 that a survey should be made for a light railway from Bhamo to Teng Yueh. It drew attention to the reports of the British consul at Teng Yueh, Litton, on the prospects of trade with China via Bhamo. The chamber felt that Litton was doing excellent work, that the India Office should make the Foreign Office aware of the value of his continuing that work, and of the urgent need to appoint capable British consuls throughout south west China, a particularly pressing matter in view of the influence being exerted there by the French.44

A memorandum on the advantages of a light railway linking Burma and China was prepared by the East India and China section and circulated among firms in Liverpool which might have an interest in the trade of Upper Burma. The Rangoon (now Yangon) chamber of commerce was also canvassed for support but unsuccessfully. The Rangoon chamber did not favour a light railway because 'a good cart road' was being built between Bhamo and Teng Yueh. Nevertheless, the Liverpool chamber continued its campaign and now proposed to the India Office that a survey for the light railway should be made along the route of the new road referred to by Rangoon. A rail route into south west China, it felt, was imperative now that the French were building their railway from Tonkin into Kwangsi. The India Office merely acknowledged this latest petition but the East India and China section was being urged by its former chairman, Robert Gladstone, to persuade the Government of the need to find a way into Szechwan before the French or 'all hope of a profitable trade in that province would have to be given up'.45 The chamber, therefore, decided in December 1903 to approach the India Office once again to find out whether it had now received the more thorough survey of the region between the existing Burmese railways and the Chinese frontier, which had been promised in January. It also decided to contact the new consul general for Yunnan and Kweichow (now Guizhou), H.H. Wilkinson, for his suggestions on the means of improving British trade in south west China.46

Despite the lack of any encouragement from the Government after Curzon’s coup the Liverpool chamber
was determined to continue its campaign. The East India and China section instructed its secretary, T.H. Barker, to prepare a report for the council of the chamber on the prospects of railway building in China. An important contributor to the final report was Sir Robert Hart, Inspector General of Customs in China. Hart, while admitting that he knew little about the proposed line from Burma into Szechwan, argued that such a line would be impracticable because of high construction costs and the sparseness of the population it would serve. (This was merely a rehash of the Government of India’s position.) Furthermore, he claimed, the transit pass system was now working well and therefore goods could be transported to Szechwan by water more cheaply than by the proposed railway. Despite this adverse opinion from a weighty authority the chamber decided in February 1904 that it would continue its pressure on the government through the India Office.47

In response to further enquiries by the chamber in the spring of 1904 the India Office responded that road communications between Bhamo and Teng Yueh were being improved and that the Government of India had estimated that in the case of a railway extension into Yunnan and Szechwan, the cost of the survey alone of the area between the Mekong and the Salween rivers would be about ten thousand pounds. The Government of India was not prepared to put this burden on Indian revenues and the Secretary of State therefore felt he could not proceed with the survey. The chamber regarded this reply as totally unsatisfactory and suggested to the India Office that a small part of the surplus revenue of the Burma Government should be spent on the survey.48

In the 1903–1904 campaign the chamber was supported, somewhat clandestinely, by H.H. Wilkinson, consul general in Yunnan and Kweichow. He was prepared to allow the chamber to use the information he provided and also that of Warry, a former adviser on Chinese affairs to the Government of Burma, but insisted that such information should remain confidential and should not be referred to in correspondence with the Government or in the chamber’s journal. Wilkinson rejected Hart’s objections to a rail link with south west China, suggesting that similar arguments
had been used against the cutting of the Suez Canal. Ultimately, he believed, there would be a great southern Asian railway, the most profitable section of which would be that between Burma and Shanghai. The French, he argued, were not deterred by the absence of immediate dividends and were pushing their line through territory which was no less difficult than the route from Kunlong Ferry to Yunnan-fu. He thought they would certainly complete that line by the end of the decade and pointed out that they had never concealed their intention of extending the line to the Yangtze and that they had plans for a branch line to Tali, (now Dali), west of Yunnan-fu. They would be able, therefore, if not to block, at least to control the great trunk route from Calcutta to Hankow. It would be politic for a British company to secure a concession to build a line to Yunnan-fu with the power to extend it into Szechwan and then on to Hankow on the Yangtze. 49

However, despite the enthusiasm of the Liverpool chamber and the machinations of Wilkinson the Government was not moved. The chamber was informed at the end of 1904 that the India Office would not support railway extension into China. Despite a conciliatory gesture from the India Office, the promise of the possible survey of the route from Bhamo, the chamber acknowledged defeat and there the matter was allowed to rest. 50

There was a postscript to the saga. In 1912 the East India and China section, having picked up a rumour of renewed interest in the railway from Bhamo to Teng Yueh, decided to seek further information from the Rangoon chamber of commerce and in May it approached both the India Office and the Indian Railways Board at Simla for information on the prospects for the survey and construction of the line. 51

In January 1914 it joined Manchester and Blackburn chambers in petitioning the India Office. 52 Despite a lukewarm response from the India Office the chamber agreed in July 1914 to support further representations by Manchester chamber to the Secretary of State that a scheme for a Burma–China Railway should be completed without further delay and that the Government should advance the necessary capital. 53 Within weeks the country was at war and there were more pressing demands on the Government.
For more than two decades the Liverpool chamber had pursued with great tenacity and enthusiasm its interest in a railway link between Burma and south west China. Why? In its evidence to the Royal Commission into the Depression of Trade and Industry in 1886, the chamber, represented by the East India and China trade section, had argued that the further extension of railways in India would materially assist in developing the natural products of the country, and in so doing would increase the trade of India with England, while the introduction of English goods into new markets in the interior of India would be promoted.

Although an interest was shown in improving trade with Upper Burma there was no reference by the Liverpool chamber to a possible Burma–China railway and its main concern at this time was with developing the railways, and hence trading prospects, in India. This was in contrast to Manchester’s response to the Commission which specifically pressed for

the encouragement of the scheme proposed by Mr. A.R. Colqhoun for railway communications between British Burmah and Western China.

One of Manchester’s representatives further spelled out the advantages which the Colqhoun scheme would bring.

I think that next to India the China Market is the one that the cotton trade must rely on most. At present ... China only takes from 6,000,000 lbs to 7,000,000 lbs of cotton goods from England, and I think that that is a trade which is capable of expansion to an enormous extent, if only we could open up the country.

Manchester’s interest in a rail link with China thus sprang from its need to find new markets for Lancashire cotton goods. The Liverpool chamber admitted in its early correspondence with the India Office that its interest was less direct than that of the Lancashire chambers. Nevertheless, there was the assumption that such a rail link would enable Liverpool as an exporter to tap into the supposedly vast and rich markets of south west China. Was this a case of the sober businessmen of the north west of England being taken
in by a highly successful publicity campaign run by Hallett and Colqhoun and their rival promoters? The contention of the publicists was that south west China was an El Dorado waiting to be exploited, an answer to Lancashire’s problems, as Hallett entitled one of his articles. This was assertion rather than fact and was challenged by Curzon, Sir Robert Hart, Salisbury and others. However, the Liverpool chamber’s records give no indication that the assertion was ever subjected by the chamber’s members to close economic examination. Once accepted in the early 1890s that there was a vast market to be exploited, the chamber argued that a rail link with Burma was the best way to open up that market to British trade and the best way to ensure that Liverpool firms shared in the profits to be made.

Who decided in the early 1890s that the Liverpool chamber should become involved in the campaign and who decided and why that Liverpool should support the Mandalay to Kunlong Ferry scheme rather than the Hallett-Colqhoun line to Ssumao? The records of the chamber indicate that the decision was effectively made by the East India and China trade section of the Chamber although they do not tell us why these decisions were reached. The section’s decisions were virtually rubber stamped by the council of the chamber and there is no evidence of any occasion on which it was overruled. This East India and China section met five or six times a year at most. Its membership was small, the numbers attending its meetings rarely reaching double figures. Its most notable member was Robert Gladstone, later to be Lord Mayor of the city of Liverpool. He had been deputed to look into the Mandalay-Kunlong Ferry scheme in 1891. He recommended support for it and from then on became the main driving force behind the campaign. Even in 1904 when he was no longer a member of the East India and China section he continued to press for action. In September 1904, having studied the most recent information on railway communication with south west China, he expressed his regret to the chamber that French activity would ‘supersede a British line’ to Yunnan-fu.\(^57\) In October he applauded the chamber’s rejection of the India Office’s negative approach to railway extension into China but expressed his fear that the French
would beat the British after all. Given that he was the driving force behind the chamber’s campaign it is disappointing that his private papers (deposited in the Liverpool City Record Office) contain nothing from this period but are exclusively devoted to his later period in municipal politics.

In the campaign for a railway link between Burma and south west China the Liverpool chamber was out of step with the other major chambers of commerce and the Association of Chambers of Commerce. The latter favoured the Hallett-Colqhoun scheme while the Liverpool chamber supported the proposed route from Mandalay to Kunlong Ferry which the railway enthusiasts inside the India Office also wanted. Given this agreement between the chamber and this body of support within the India Office it is somewhat ironic that the chamber saw the India Office as the main obstacle to the building of the line. The chamber was of course not aware of the intra-governmental differences between the India Office, the Foreign Office and the Government of India, particularly during the Curzon period. The India Office in its formal replies to the chamber, and there is no evidence of informal contacts, no doubt felt constrained not to reveal these differences nor to indicate its own preferences. The chamber, consequently, felt it was constantly battering against a stone wall in its representations to the India Office. More open government and greater knowledge of the differences within Government opinion would have enabled the chamber to lobby more effectively and perhaps ultimately with greater success.

The campaign itself was run on very formal lines and in a manner which was unsophisticated and naive even by the standard of its own times. Representations were made directly to the Foreign Office and the India Office. There seems to have been no attempt to ascertain in advance whether these Government departments were favourably or otherwise disposed towards the project. Also there was no attempt to approach and influence Government officials, at least not until 1903–1904 when contact was made with Wilkinson, the consul general for Yunnan and Kweichow. Wilkinson was a supporter of the railway link between Burma and China and was prepared to engage in a little
gentle intrigue. Little, however, came of this approach. Other chambers of commerce were circularised from time to time but to no great effect, possibly because the majority of chambers favoured a rival scheme. On one occasion local M.p. s were lobbied but there was no attempt by the chamber to run the kind of press campaign which Hallett and Colqhoun so successfully mounted. The chamber was happy to leave such campaigns to professional agitators and relied rather touchingly on the direct democratic process. Its behaviour would seem to indicate its belief, despite evidence to the contrary, that a series of letters to the India Office was all that was required to bring about the desired effect.

The campaign for a rail link between Burma and China, whether it be the Mandalay–Kunlong Ferry project favoured by the Liverpool chamber or the rival Hallett-Colqhoun scheme, provides an interesting, if minor, case study in the dynamics of imperialism in the late nineteenth and early twentieth centuries. The pressure to extend British economic influence in south west China came from entrepreneurs of the Hallett-Colqhoun ilk and from business interests, as represented by the chambers of commerce, particularly in the north of England. Government officials showed some interest in a rail link which might bring strategic advantages but showed no enthusiasm on economic grounds. Government departments did not share the rosy optimism of Hallett and Colqhoun and the chambers of commerce that there was an easily exploitable and vastly profitable market for British goods in south west China. They were clearly not convinced that trade prospects were as obvious as the railway promoters claimed. They also faced up to the harsh reality, which the advocates of railway expansion too often failed to do, that the proposed railway would be very difficult and expensive to construct. The Government of India in particular was not prepared to see resources diverted from railway development in India, where markets for British goods were more assured, to the highly debatable south west China project.

The campaign also neatly illustrates the decline of laissez-faire economic practice, if not theory, at the end of the
nineteenth century. Commercial interests wanted, expected, and pressed for government intervention to support and finance a project which was beyond the scope of private risk capital. It could be argued that if the chambers of commerce considered that prospects for profitable trade which would be opened up by the proposed railway were so great, it should not have been beyond their means to have raised the necessary venture capital. They were not prepared to take the risk and instead looked to the government for help, arguing that their competitors in France were receiving such help from their government. The British Government quietly ignored such arguments.

C. J. Bartlett’s comment on the government’s failure to satisfy the demands of the ‘Old China Hands’ during the scramble for concessions in China in the late 1890s is also apt as a comment on the Liverpool chamber’s campaign for a Burma–China rail link:

Yet the inability of the “Old China Hands” to persuade the government to establish a virtual British protectorate in the Yangtze region is a classic illustration of the limited influence which a narrow group of businessmen could normally expect to exercise unless they had the support of other powerful economic interests working to the same end. The government in this instance was able to defend its policy of selective support with the argument that the trading and investment opportunities in China did not justify more comprehensive action.\(^5\)

NOTES

4 Ibid.
7 Chandran, Burma–Yunnan Railway, pp. 21–44.
11 Ibid., p. 150.
12 L.R.O. 380 Com 3/3/1, Minutes of East India and China Trade section, p. 10 ff.
13 Ibid., p. 12 ff.
15 Ibid., p. 16.
16 Ibid., p. 16.
17 Ibid., p. 22.
18 Ibid., pp. 25, 30.
19 Ibid., p. 50.
20 Ibid., p. 75 ff.
21 Ibid., p. 75 ff.
23 L.R.O. 380 Com. 3/3/1, p. 82 ff.
30 L.R.O. 380 Com. 3/3/1, p. 108.
34 L.R.O. 380 Com. 3/3/1, p. 119.
36 L.R.O. 380 Com. 3/3/1, p. 122 ff.
37 Ibid., p. 148 ff.
38 Ibid., p. 151 ff.
40 Ibid., p. 95.
41 L.R.O. 380 Com. 3/3/1, p. 151 ff.
43 L.R.O. 380 Com. 3/3/1, p. 158.
44 Ibid., p. 159.
46 Ibid., p. 175 ff.
48 Ibid., p. 196.
49 Ibid., p. 197 ff.
50 L.R.O. 380 Com. 3/3/2, p. 3 ff.
51 Ibid., p. 57 ff.
52 Ibid., p. 59.
53 Ibid., pp. 66, 69.
55 Ibid., p. 97.
56 Ibid., p. 418.
57 L.R.O. 380 Com. 3/3/1, p. 197.
58 Ibid., p. 208.

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