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Decolonisation, Diversification and Decline: Liverpool Shipping and the End of Empire¹

Nicholas J. White

Abstract

The publishing and curating career of Mike Stammers demonstrated Liverpool's multifarious colonial connections. The port city's overseas trade remained heavily oriented towards developing-world markets into the era of decolonisation after the Second World War. The non-European trade bias was reflected in the cluster of world-renowned imperial shipping lines which continued to be based on Merseyside. Drawing upon the rich archive collections of the Merseyside Maritime Museum, as well as company histories often written by ex-employees or authors with privileged access to business records, this article explores Liverpool's experience of decolonisation. It analyses how Liverpool's maritime cluster was affected by the ending of the European empires, how Liverpool shipowners reacted to decolonisation through diversification, and how the combination of decolonisation and diversification led to the decline of Merseyside's overseas shipping sector by the late-twentieth century.

Introduction: Mike Stammers, Merseyside and Empire

Much of Mike Stammers' published output was on local shipping within UK waters. Yet, in one of his most celebrated books, *Mersey Flats and Flatmen*, Stammers revealed that vast quantities of cargo carried along the sprawling network of Mersey Basin waterways were intimately linked to global and particularly colonial markets. Salt and gunpowder, for example, were destined for West Africa, India, Australia and South Africa.² Inbound came palm oil from West Africa and Southeast Asia, timber from West Africa, Canada and the West Indies, tanning and dyeing materials (such as myrobalams and cutch) from India, grain from Australia, and sugar from the Caribbean.³ Indeed, in a call to local historians to engage more 'with the real meaning and impact of Empire and imperialism', Alan Crosby identified that 'empire was about more than slavery, and Liverpool about more than ships and docks'.⁴ Liverpool's multifarious imperial role emerges in Stammers' forensic analysis of *The Jbelum*, abandoned in the Falklands in 1870, and in his final book on the mid-Victorian emigrant trade with Australia.⁵

¹ This is an expanded version of the Mike Stammers Memorial Lecture for 2018 - hence, the paper's framing in the work of Mike Stammers. My thanks to Prof. Tim Bunnell, Andrew Galley, and John Stokoe for help with references, to Jan Barwise for the collection, collation and presentation of the statistical data and to James Evans for the final drawing of the graphs.

² M. Stammers, *Mersey Flats and Flatmen* (Liverpool, 1993), 105, 129.

³ *Ibid.*, 121-7.

⁴ A. Crosby, 'Review of *The Empire in One City?*', *The Local Historian*, 39, 3 (2009), 251-2; see also G. and Y. Sheeran, 'Opinion: "No Longer the 1948 show" - local history in the 21st century', *The Local Historian*, 39, 4 (2009), 314-23.

⁵ M. Stammers and J. Kearon, *The Jbelum: A Victorian Merchant Ship* (Stroud, 1992); M. Stammers, *Emigrant Clippers to Australia: The Black Ball Line, its operation, people and ships, 1852-1871* (Barnoldswick, 2013).

Moreover, Merseyside's imperial interconnections continued well into the twentieth century. The second largest exporting port in the Commonwealth as late as 1970, Liverpool's trade was skewed towards developing-world markets into the era of decolonisation after the Second World War.⁶ Indeed, Stammers revealed that Mersey barges were still carrying palm oil in the 1980s.⁷ The ongoing non-European bias of Liverpool's trade is illustrated in Figures 1 and 2 by the proportion of export and import volumes by region from the early-1960s to the late-1970s. Even ignoring the quantum leap in Middle Eastern imports (with the inclusion of bulk petroleum after 1964), the significance of Africa and Asia in Liverpool's inward and outward trade (and especially exports) is marked. The continued importance of trade with the Caribbean (included in the Central and South American data) and Australasia are also apparent. Hence, University of Liverpool geographer Richard Lawton could write in 1964 that Liverpool remained 'a vital link between Britain and the tropics'.⁸ Moreover, despite Liverpool's long links with the United States, an important proportion of North American exchanges were with Canada. European trade was not insignificant but it was usually lower than that with Africa and Asia combined and markedly unimpressive if African, Asian, Caribbean, Canadian and Australasian tonnages are aggregated. In the 1960s Liverpool recaptured levels of trade only previously achieved at its Edwardian zenith. The second 'Golden Age' was underpinned, therefore, by Empire-Commonwealth exchanges.⁹ Merseyside's dependence upon extra-European markets continued as Britain entered the EEC and, as Table 1 demonstrates, Liverpool's total trade volumes exhibited a downward tendency from the early 1970s. In terms of overall tonnage handled, Liverpool had slipped behind Felixstowe and Dover by 1984, and it was only in the 1990s that Liverpool's trade significantly picked up again.¹⁰

⁶ T. Bunnell, *From World City to the World in One City: Liverpool through Malay Lives* (Chichester, 2016), 88.

⁷ Stammers, *Mersey*, 122.

⁸ R. Lawton, 'Liverpool and the Tropics' in R.W. Steel and R.M. Prothero (eds), *Geographers and the Tropics: Liverpool Essays* (London, 1964), 349-75, 349.

⁹ *Ibid.*, 359-60; F.E. Hyde, *Liverpool and the Mersey: An Economic History of a Port, 1700-1970* (Newton Abbott, 1971).

¹⁰ J. Moore, 'The Port of Liverpool and the Single European Market' in J. Shepherd (ed.), *Sixty Years of the Liverpool Nautical Research Society: A Nautical Miscellany* (Liverpool, 1998), 17-22, 17.

Table 1: Volume of total trade handled by the Port of Liverpool, 1963-76

Year	Tonnage (million tons/tonnes)
1963	24.9
1964	26.2
1965	29.9
1966	28.6
1967	26.0
1968	27.3
1969	26.8
1970	26.9
1971	29.9
1972	25.5
1973	25.8
1974	26.2
1975	22.3
1976	21.2

Source: Merseyside Maritime Museum (hereafter MMM), D/SS/2/9, Liverpool Steam Ship Owners' Association Annual Reports, 1963-77

The colonial legacy reflected that Liverpool was home to a cluster of ocean-going steamship companies closely connected to empire and whose 'house flags' were 'as familiar along the Guinea, Malabar and Caribbean coasts as on Merseyside'.¹¹ Stammers noted that gunpowder, for example, was loaded from the Mersey 'into ships belonging to Elder Dempster, the United Africa Company [UAC] and the Clan Line'.¹² These imperial fleets were rebuilt and modernised after the Second World War.¹³ Elder Dempster remained the leading British shipping interest in West Africa and would take over John Holt's Guinea Gulf fleet in 1965 and UAC/Unilever's Palm Line in 1986. Clan Line's headquarters were in London and it merged with Southampton's Union-Castle in 1955 to form British & Commonwealth (B&C). Even so, Clan continued to be the lead Liverpool-based interest in the Indian Ocean trade and enjoyed 100 sailings per annum in the early-1960s from Birkenhead to India, South Africa, and Australia. The premiere Liverpool line, however, was the Ocean Steam Ship Company (better known as Blue Funnel or Alfred Holt & Co). The dominant British cargo line in East and Southeast Asia, Blue Funnel bought into Elder Dempster from the early-1930s, and the full merger of Elders and Holts in 1965 made Ocean Liverpool's largest shipping group commanding about one-third of the port's deep-sea tonnage.¹⁴ Cunard, the second largest Liverpool-

¹¹ Lawton, 'Tropics', 349.

¹² Stammers, *Mersey*, 129.

¹³ Unless otherwise indicated this paragraph is based upon G. Chandler, *Liverpool Shipping: A Short History* (London, 1960) and Lawton, 'Tropics'.

¹⁴ Ian Hargraves, 'Ocean group lead lines who stand by Liverpool', *Liverpool Daily Post Transport Review*, 20 May 1969.

registered fleet, was famed for passenger services to the United States. But Cunard's Canadian services expanded from the 1900s, and the group's imperial identity was solidified at the end of the First World War by the incorporation of Brocklebanks and Port Line in the India and Australia/New Zealand trades respectively. Harrisons, meanwhile, enjoyed a pan-imperial spread of sailings to and from India, the Caribbean, and southern and eastern Africa. The Hall Line, closely associated with Glasgow's City Line, ran services with India plus East and South Africa. Like Ellerman & Papayanni, which had colonial interests in the Mediterranean, Hall was a subsidiary of the London-based Ellerman Lines but both companies retained distinct management and offices in Liverpool.¹⁵ The Bibby Line concentrated its cargo and passenger services on Burma and Ceylon with an additional imperial role in troop carrying. The Atlantic passenger and cargo vessels of the Canadian Pacific Steamships were also centred on Liverpool. The Booker Line, run from the Liverpool branch of the Booker McConnell group, operated the only direct service between the UK and British Guiana.

Liverpool's overseas carriers additionally operated in other European imperial domains. Blue Funnel traded with the Netherlands East Indies/Indonesia as well as the Philippines; an American colony to 1946. Along the west-central African coast, Elder Dempster was active in Francophone and Lusophone territories. As for Harrisons and Clan in Portuguese East Africa, the latter proved important access points for land-locked Anglophone Central Africa. Yet, Liverpool's 'Golden Age' of imperial trade coincided with the 'Wind of Change'. By the mid-1960s, Britain's major colonies had achieved independence, while the UK's influence simultaneously declined in the ex-Dominions of Australia, Canada, New Zealand and South Africa. The rest of this paper explores how Liverpool's lines were affected by decolonisation, how they reacted to the global changes unleashed, and how diversification subsequently contributed to Liverpool's decline.

Decolonisation has consequences

'Trade, which had followed the flag, now withdrew with it'.¹⁶ The retreat, however, was not as swift or absolute as Bibby's historian implies. Derek Bibby – heir apparent to his family firm – visited Rangoon at the end of 1949. Despite Burma having left the Commonwealth and nationalising inland water transport and teak concessions on independence in January 1948, Bibby found that 'there were still many British firms and Britishers'.¹⁷ As revealed in the trade data above, economic decolonisation lagged behind the political transfer of power. 'Decolonization was a staggered process in which flag independence marked a starting rather than an end point in a European retreat', as Sarah Stockwell incisively observed.¹⁸ Graeme Cubbin, a former Harrisons Master (1964-73) and Marine Superintendent (1973-86), pinpointed an

¹⁵ J. Taylor, *Ellermans: A Wealth of Shipping* (London, 1976).

¹⁶ N. Watson, *The Bibby Line, 1807-1990: A Story of Wars, Booms and Slumps* (London, 1990), 46.

¹⁷ D.J. Bibby, *Glimpses* (Liverpool, 1991), 56.

¹⁸ S. Stockwell, *The British End of the British Empire* (Cambridge, 2018), 233

irreversible downturn in his line's fortunes about 1977 – a clear decade after the Wind of Change in Africa and the Caribbean where Harrisons had the core of its interests.¹⁹

From the 1950s, however, Scouse shipowners noticed the cracks opening up in the imperial maritime edifice. 'The present craze of almost every new Sovereign State to possess a Merchant Marine... is a circumstance that bodes the Company no good', declared Harrisons' directors in 1962.²⁰ As early as 1955, they took the decision to withdraw from India and Ceylon '[i]n view of the political changes in these countries and the avowed intention of their Governments to restrict to their own flag tonnage the carriage of at least 50% of the imports and exports'.²¹ Brocklebanks, expecting good business through supplying the massive infrastructure requirements of India's five-year plan, bought Harrisons' rights.²² Hall and Clan from the Liverpool cluster stayed on too. But, from 1960, the British firms shared the UK trade with the Indian and Pakistani government-subsidised lines – an arrangement considered 'rough justice' because the indigenes received a greater share than they were currently carrying, while the expatriates were apportioned shares based upon past sailings. An ex-Hall Line manager conceded that the new arrangements did 'eliminate malpractices' plus 'the cutting of Conference rates in order to obtain cargo'.²³ Nevertheless, scrambling for the scraps, and the complex pooling regime, caused friction between the UK lines. Clan, facing a sharp decline in tea exports, seconded a manager to India from 1962-7 to try and sort the mess.²⁴

India's flag discrimination reflected New Delhi's adoption of a Soviet-influenced, state-led industrialisation strategy by the mid-1950s. Yet, even western-oriented Malaysia developed its own shipping line. For Malay seafarers in Liverpool, the arrival of Malaysian International Shipping Corporation (MISC) vessels from 1971 proved more significant in their nationalist awakening than Malaya/Malaysia's political independence.²⁵ Accommodating MISC plus Singapore's Neptune Orient Line reduced Blue Funnel's monthly sailings to Southeast Asia from eight to seven.²⁶ In Guyana, Booker did not face a national line. Even so, coinciding with the nationalisation of Booker's sugar plantations and the emergence of a government-controlled shipping agency, the contribution of shipping to group profits declined from 16 to less than 2 per cent between 1974 and 1981.²⁷

Maritime nationalism manifested itself in the ex-Dominions as well. Under the post-1948 Apartheid regime in Pretoria, Elder Dempster found Safmarine a tough competitor. Elders wound up its Canada-South Africa route in 1950. Besides import restrictions and exchange controls, flag discrimination

¹⁹ G. Cubbin, *Harrisons of Liverpool: A Chronicle of Ships and Men, 1830-2002* (Gravesend and Preston, 2003), 358.

²⁰ MMM, B/HAR/1/2/4, Directors' Report 1961 (30 April 1962).

²¹ Cubbin, *Harrisons*, 235; MMM, B/HAR/1/2/3, Directors' Report 1957 (28 April 1958).

²² MMM, B/BROC/5/2/17, 'India & Pakistan, 1955/6'; Cubbin, *Harrisons*, 235.

²³ Taylor, *Ellermans*, 135

²⁴ D. Sinclair, *Uncharted Waters: The Cayzer Family Firm (1916-1987)* (London, 2010), 236-7.

²⁵ Bunnell, *World City*, 85-7.

²⁶ MMM, OA/1772/5, BFL Minutes, 3 May 1971.

²⁷ J. Slinn and J. Tanburn, *The Booker Story* (Peterborough, 2003), 147, 216; H.M.J. Smart, 'Development of Shipping in Guyana with special emphasis in bulk', World Maritime University, Malmo, MSc thesis, 1987, 54.

and nationalistic slogans to ‘ship South African’ proved unbeatable.²⁸ Clan, meanwhile, decried Pretoria’s ‘unhealthy interest’ in low freight rates.²⁹ South Africa’s economic nationalism intensified after its Commonwealth exit in 1961. During 1966, Harrison’s cargoes homebound had been significantly less ‘partly because of the growth of nationalistic support... for “Safmarine”’.³⁰

Australian economic nationalism also affected Liverpool shipowners. In 1969, Ocean’s Ronnie Swayne warned that Western Australia’s state government was ‘politically sensitive to criticism that they are selling the State to overseas big business’.³¹ There was ‘controversy’ at federal level in Canberra ‘about foreign flag tonnage in the coastal tanker trade’, and government pressure to reduce rates.³² In containerising Australia-Southeast Asia routes, meanwhile, Canberra, plus Singapore and Kuala Lumpur, would ‘want their own national flags participating’.³³ That would prove the case in the containerisation of the Australia-New Zealand-North America route where Cunard and Ellermans partnered with the government-controlled Australian National Line (ANL).³⁴ Indeed, Liverpool interests had become involved in Australasia’s containerisation from the mid-1960s through the Overseas Containers Ltd (OCL) and Associated Container Transportation (ACT) consortiums – Ocean/B&C in the former; Cunard/Ellermans for the latter. This was a defensive move conditioned to a large extent by Canberra’s maritime protectionism and the ambitions of ANL ‘to promote Australia’s own national interests’.³⁵ For Blue Funnel’s top brass, it was not only American and Swedish competitors that might capture business but also ANL should ‘an effective’ British container operation fail to emerge.³⁶

The prioritisation of national over ‘imperial’ interests was also evident by the early-1960s in Liverpool’s relations with Canada. With the waning competitiveness of British exports in the background, Canadian Pacific’s top brass were disgruntled by strikes in Liverpool and the decision of the UK government not to allow Canadian Pacific Airlines landing rights. The company’s chairman, Norris Crump, ominously warned in 1962 that Canadian Pacific ‘must reserve the right to leave the port of Liverpool for some port elsewhere in this country or some other country where some continuity of operation can be obtained’.³⁷ Canadian Pacific Railways, the shipping company’s parent, was simultaneously becoming less British through a steady transition after the Second World War to majority Canadian ownership (finally

²⁸ MMM, OA/1997, Elder Dempster Lines (Canada) Ltd, President’s Report, 4 April 1950.

²⁹ Sinclair, *Uncharted*, 182-3

³⁰ MMM, B/HAR/1/7/1, Summary of Operations – Year Ending 31 December 1966.

³¹ MMM, OA/JLA/5/1, note on WASC (Western Australia Shipping Company), 12 December 1969 in Swayne to Alexander, 12 December 1969.

³² *Ibid.*

³³ MMM, OA/JLA/5/1, note on South East Asia/Australia trade, 12 December 1969 in Swayne to Alexander, 12 December 1969. .

³⁴ F.E. Hyde, *Cunard and the North Atlantic, 1840-1973* (London, 1975), 319; Taylor, *Ellermans*, 169.

³⁵ Chih-lung Lin, ‘Containerization in Australia: The formation of the Australia-Japan Line’, *International Journal of Maritime History*, 27, 1 (2015), 118-129, 125.

³⁶ MMM, OA/JLA/20/1, Sir John Nicholson to Sir Donald Anderson (P&O), 13 December 1965.

³⁷ ‘Address to the Canada Club of Lancashire’, 2 April 1962 in G. Musk, *Canadian Pacific: The Story of the Famous Shipping Line* (Newton Abbott, 1981), 47.

achieved in 1965). A public offer of CAN\$100 million in 1967, moreover, provided ‘an opportunity for Canadians to share more directly in the resource development of their country’.³⁸

Throughout the Global South, the portrayal of shipping conferences as neo-colonial cartels also left Liverpool exposed. From the mid-1960s, the United Nations Conference on Trade and Development (UNCTAD) promoted its ‘Liner Code’. Cargo would be apportioned in a 40:40:20 ratio between lines from exporting and importing countries, and cross-trading companies respectively. Ocean’s chairman, Sir Lindsay Alexander, complained that ‘developing countries’ regarded conferences as ‘inimical to their national interests’, seeking control of ‘freight rates in the interests of their own economic systems’ and the capture of trade shares ‘by political rather than commercial means’.³⁹ Distrusting the old colonials, independent states often turned to non-British outsiders to establish their lines. Ghanaian ministers believed it would ‘not be politically sound to have a British firm associated’ with their national shipping enterprise and chose Israel’s Zim Line to manage the Black Star Line after 1957.⁴⁰ Burma also picked Zim, while Sudan sought guidance from the Yugoslav Line.⁴¹ Former colonies could also turn to the Soviet bloc. Elders complained in 1965 about a Nigerian oilseeds contract awarded to a Polish enterprise at an ‘uneconomic’ rate.⁴² Harrisons believed that its East African voyage results during 1966 had been detrimentally affected ‘by an erosion of freight rates due to the intrusion of outsiders from the Iron Curtain countries’.⁴³ Harrisons still faced ‘cut throat Russian competition’, operating at rates which had ‘no relation to commercial reality’, in 1977.⁴⁴

Political uncertainty accompanied waning British global influence. Nationalisation of the Suez Canal and the abortive Anglo-French invasion of Egypt during 1956 were major concerns. In the international waterway’s closure, the extra freights which Harrisons charged for carriage via the Cape did not ‘cover the extra expenses involved’.⁴⁵ British shipping was back on the canal by May 1957 but the old certainties had gone. Ocean’s agency in Port Said was absorbed into a locally owned outfit in 1962, and in November 1963 a visiting manager drew attention to the intrusions of Cairo’s ‘[m]ilitary socialism’.⁴⁶ Liverpool shipping’s vulnerability was further revealed in the second Suez incident when, from the outbreak of the Six Day War of 1967, the canal was closed for eight years, and two Holts ships were trapped indefinitely. Harrisons again re-routed round South Africa, and ‘the very much higher fuel costs’ were only partially compensated by increased rates.⁴⁷ As well as a police state, increasing Soviet influence in Egypt alarmed Blue Funnel, and

³⁸ ‘Canadian Pacific Railway Limited History’, <http://www.fundinguniverse.com/company-histories/canadian-pacific-railway-limited-history/>, accessed 14 December 2020.

³⁹ MMM, OA/4031/2, *Annual Reports and Accounts* (hereafter *AR&A/C*) 1971, Chairman’s Review.

⁴⁰ MMM, OA/2251, Lucas, Accra to Muirhead, Liverpool, 25 May 1957.

⁴¹ MMM, OA/2610, Memorandum on Burma Trade, 31 December 1962.

⁴² MMM, OA/2273, Lane to Gorick, Chamber of Shipping, 20 May 1965.

⁴³ MMM, B/HAR/1/7/1, Summary of Operations.

⁴⁴ MMM, B/HAR/3/1/2, Chairman’s Report, 30 September 1977.

⁴⁵ MMM, B/HAR/1/2/3, Directors’ Report 1956 (3 May 1957).

⁴⁶ MMM, OA/JLA/30/3, Note by Eric Price, 13 November 1963 in Price to Alexander, 13 November 1963.

⁴⁷ MMM, B/HAR/1/7/1, Summary of Operations, 1 January-30 September 1967.

its agent was suspected of being a British 'toady'.⁴⁸ On its surprise reopening in 1975, an Ocean director expected the canal to 'function okay' but foresaw 'Port delays and Port Administration... causing very large problems'.⁴⁹

The discombobulations of post-colonialism were manifest in Indonesia's 'Confrontations' with the Netherlands (1957-62) and British-backed Malaysia (1963-6). Holts withdrew its Dutch-flag vessels in 1960 and then re-engaged them to replace British-registered ships from 1963, which proved highly disruptive for Blue Funnel's wider Asia-Pacific operations and allowed competitors to expand into the archipelago.⁵⁰ Furthermore, cloaking ownership did not prevent the ransacking of *Lyciaon* at Balikpapan in March 1965 by police, military and dock personnel, which resulted in damage to passenger property alone of £8,000 (about £156,000 at current prices).⁵¹ Harrisons, meanwhile, got caught up in Rhodesia's Unilateral Declaration of Independence after 1965. UK sanctions against the rogue white-settler state forbade Harrisons from carrying Rhodesian cargo, notably 'well rated' tobacco, and three unemployed vessels were chartered at 'very unremunerative rates'. Zambia and Malawi, meanwhile, halted trading through Beira and Lourenco Marques to bypass Rhodesia's railways. The diversion of trade to Dar es-Salaam exacerbated existing slow turnaround there, while the Lobito outlet via the Benguela Railway suffered 'periodical interruption by guerrillas'.⁵²

The dislocations of decolonisation alarmed Ocean's boss, Sir John Nicholson, in the Malaysia-Singapore split of 1965. Anticipating economic stagnation and anti-British revanchism, Nicholson started to 'fatten' Blue Funnel's regional shipping line, the Straits Steamship Company, for 'tossing off the sleigh at the right moment'.⁵³ There was good reason to suppose there would be negative consequences in Commonwealth Southeast Asia because Brocklebanks found the jute industry of West Bengal badly disrupted by India's partition. In East Pakistan, meanwhile, 'major difficulties' were 'caused by lack of coal and heavy industries, a shortage of electric power, a complete absence of facilities for major engineering repairs, and the wide separation from the dominant Western Pakistan'.⁵⁴ In the Indo-Pakistan war of 1965, meantime, Clan's operating costs escalated because vessels could not combine voyages to the two countries.⁵⁵

Indeed, the competing nationalisms let loose by the dissolution of empire disrupted established trades. Even before the Second World War, Papayanni's lucrative Jaffa orange trade with Palestine was

⁴⁸ MMM, OA/1158/2, enclosure in Thomas to Alexander, 1 July 1968; Thomas to Holt, 3 Dec 1968. Bibby's agent was imprisoned. Bibby, *Glimpses*, 62.

⁴⁹ MMM, OA/ 2412/3, Note by Julian Taylor, 7 April 1975.

⁵⁰ N. White, 'The Ocean Group and Confrontation with Indonesia', *Bulletin of the Liverpool Nautical Research Society*, 56, 2 (September 2012), 20-6.

⁵¹ MMM, OA/1869/2, Boerstra, Jakarta to Amsterdam, 10 and 12 March 1965.

⁵² MMM, B/HAR/1/7/1, Operations summaries, 1965-6.

⁵³ MMM, OA/JLA/BOX 20/1, note, 4 October 1965.

⁵⁴ MMM, B/BROC/5/2/17, Hughes to Liverpool, March 1953.

⁵⁵ Sinclair, *Uncharted*, 237.

prejudiced by the impossibility of Arab-Jewish merchant cooperation to counter European continental competition.⁵⁶ Colombo's congestion in 1956 was blamed by Blue Funnel's senior manager, Sir John Hobhouse, on Sinhalese-Tamil rivalry which 'disorganised the labour force'.⁵⁷ The transition in Francophone Africa could be equally disruptive. At Douala, immediately after Cameroun's independence in January 1960, Elder Dempster's manager was evacuated after malcontents began assassinating Europeans.⁵⁸ In the high-value copper trade, Elders suspended its calls to Lobito in 1975 given Angola's civil war.⁵⁹ Nigeria's bloody internal conflict resulted in Elders' exclusion from self-declared Biafra. One mail boat was sold because of the sharp fall in passengers, and idle freighters were sent tramping.⁶⁰

The post-colonial world proved unpredictable, therefore, for Liverpool's shipowners. Bibby managers 'hoped' in 1947 that the Rangoon government would concentrate on restoring international trade.⁶¹ The actuality, however, was an inward-looking dirigisme in which 'the nationalization of the stevedoring firms in Rangoon did little to increase [port] efficiency', while prioritisation of the national line 'diminished the volume of already substantially reduced cargoes'.⁶² Bibby aspired to a fortnightly Liverpool-Rangoon service but only a monthly voyage proved sustainable and surplus tonnage was chartered.⁶³ Ceylon was applauded by Bibby executives in 1952 for 'avoiding the faults of others' (notably Burma).⁶⁴ In 1959 Ocean group director Sir Herbert McDavid was delighted that the majority report of a Commission of Enquiry in Colombo 'categorically discounted' Ceylon running a national line.⁶⁵ Five-years later, however, Nicholson opined that Ceylon was 'entering on the nascent country's normal phase of xenophobia'.⁶⁶ The Ceylon Shipping Corporation (CSC) emerged in 1969. In a remarkable post-colonial reversal, by the early-1980s, CSC's share of Sri Lanka's exports to Britain was about 80 per cent (where Blue Funnel's slice had been 45 per cent as late as 1967).⁶⁷

Judging the political tides particularly erroneously, Ocean group executives predicted in 1964 that Lee Kuan Yew would become the next prime minister of Malaysia.⁶⁸ Instead, however, Lee's Singapore fiefdom quit Malaysia in 1965. Then, as discussed previously, Blue Funnel's boss got things badly wrong again in predicting economic decline and a turn to the communist bloc in Singapore. Given that 'even the

⁵⁶ MMM, D/SS/3/22, Liner Defence Fund paper, 9 February 1939.

⁵⁷ MMM, OA/696/2, J.R. Hobhouse, 'South East Asia in 1956', *Blue Funnel and Glen Lines Staff Bulletin* (July 1956), 171-2.

⁵⁸ MMM, OA/1060/1/2, Minutes of managers' meeting, 18 January 1960.

⁵⁹ MMM, OA/4031/2, *AR&A/Cs 1975*, Chairman's Review, 30 April 1976.

⁶⁰ MMM, OA/4031/1, *AR&A/Cs 1967*, Chairman's Statement.

⁶¹ Watson, *Bibby*, 46.

⁶² *Ibid.*, 46-7

⁶³ *Ibid.*, 47.

⁶⁴ *Ibid.* .

⁶⁵ MMM, OA/285, 'Aspects Re Economics of Liner Operation', 20 August 1959.

⁶⁶ MMM, OA/JLA/20/1, Note, 12 November 1964.

⁶⁷ K. Dharmasena, 'The Entry of Developing Countries into World Shipping: A Case Study of Sri Lanka', *International Journal of Maritime History*, 1, 2 (1989), 85-112, 98-103; OA/JLA/20/1, Nicholson for Lane, 1 March 1967.

⁶⁸ MMM, OA/2116, Nicholson to Smyth, Singapore, 20 January 1964; Smyth to Nicholson, 7 February 1964.

most experienced local pilots' had not foreseen the military coups in Nigeria and Ghana during 1966, Nicholson scoffed in 1967 that in West African 'waters' there were 'no dependable sailing directions'.⁶⁹ In 1963, a Harrisons' manager concluded that '[t]here are so many uncertainties surrounding the African scene at present that it is impossible to do more than speculate'.⁷⁰

Under colonial globalisation, European liner companies relied upon trusted expatriate agents 'on the spot' to supply both cargoes and intelligence.⁷¹ As per Guyana and Egypt noted earlier, the forced localisation of shipping agencies confronted Bibby and the Henderson Line (the Elder Dempster subsidiary) in Burma in 1963, Harrisons in Tanzania in 1967, Holts in Indonesia after 1957, and Sri Lanka in 1972. Indigenisation was disturbing because it heightened the sense of 'unknowing'.⁷² The pro-American Philippines was not immune. The localisation of agencies in Manila resulted in Blue Funnel's earnings being 'seriously hit' by 1970 through loss of hemp carryings.⁷³

More 'knowable' but no more soothing was that colonial labour became more difficult to manage and more expensive to employ in the global levelling process which was decolonisation.⁷⁴ Unrest amongst port and maritime labour was often linked to anti-colonial struggles. Demanding equality with British ratings, strikes by Chinese seafarers in Liverpool during the Second World War were intensified by Nationalist-Communist rivalries and the fall of Britain's empire in eastern Asia to Japan. Attempts by Blue Funnel to restore pre-war Chinese wage levels resulted in a recruitment deficit, strikes in Sydney at the end of 1946, and a pay rise of 50 per cent during 1947.⁷⁵ Indeed, Holts appreciated in November 1945 that the old system of labour control through trusted Chinese 'headmen' had dissipated, and it would be politically unwise to pay Chinese wages 'hopelessly out of line with other rates in the world'.⁷⁶ There were wartime disputes too with West African and Lascar (mainly South Asian) crews; the latter achieved a 200 per cent wage hike.⁷⁷ As collaboration grew between trade unions and the Zikist independence movement in Nigeria, John Holt's manager in Lagos reported in July 1949 that demands 'out of all proportion' were being made by waterfront workers, including Elder Dempster waterborne and cleaning staff.⁷⁸ End-of-empire struggles for equality came into the heart of Liverpool in the summer of 1959 when Nigerian stewards refused to work on the Elder Dempster mail boat *Apapa*. The stewards alleged racial discrimination, and the only way to get the ship away was to promise a full inquiry in Lagos. The investigation ruled in the strikers' favour, finding that

⁶⁹ MMM, OA/JLA/20/1, Note on visit to Ghana and Nigeria, 6-26 Feb 1967.

⁷⁰ MMM, B/HAR/12/L2/1 (B), Report by P.M.A Carden, 18 March 1963.

⁷¹ M.B. Miller, *Europe and the Maritime World: A Twentieth-Century History* (Cambridge, 2012), 104-46.

⁷² MMM, OA/2076/2, Hodges to McCrae, Glasgow, 8 February 1963; B/HAR/1/7/1, Summary of Operations 1966; OA/1772/6, BFL Minutes, 8 March 1972; White, 'Confrontation'.

⁷³ MMM, OA/1772/4, BFL Minutes, 29 June 1970.

⁷⁴ A.G. Hopkins, 'Rethinking Decolonization', *Past & Present*, 200, 1 (August 2008), 211-47.

⁷⁵ C. and Y. Foley, *Sea Dragons: the history of the forced repatriation of Chinese seamen in 1945* (Birkenhead, 2018), 31-2, 33, 81.

⁷⁶ MMM, OA/1088, Liverpool to Hong Kong, 2 November 1945.

⁷⁷ M. Sherwood, 'Strikes! African Seamen, Elder Dempster and the Government, 1940-42', *Immigrants and Minorities*, 13, 2/3 (1994), 130-45; Sinclair, *Cayzer*, 109-11.

⁷⁸ Rhodes House, Oxford, MSS Afr. s 825/549, Walker to Liverpool, 22 July 1949.

inequalities in pay and perks existed between African and European crews. Elders was compelled to recognise and negotiate with the Nigerian Union of Seamen, and a more regulated system of working hours and overtime payments was recommended.⁷⁹

Labour troubles did not cease once independence arrived. According to Brocklebanks' managers in 1949, 'Indianisation of administration and supervision', 'Trade Unionism and Communism', 'Government support for decasualisation and welfare schemes', and 'the relatively high rates of pay to industrial manual workers' coalesced in declining 'discipline and control' in Calcutta.⁸⁰ At the end of 1950, Brocklebanks' vessels leaving Calcutta suffered one-week's delay 'owing to a crew dispute with the Indian Government'.⁸¹ By the late-1950s, Bibby found Colombo a happy hunting ground for left-wing politicians, encouraging 'continuous strikes, stoppages and holidays and consequent congestion'.⁸² Labour in the ex-Dominions proved equally irksome. Ronnie Swayne remarked in December 1969 that Australian crews (and officers especially) were 'as awkward as ever'. Disputes were 'usually short lived but pretty frequent' and 'the loss of earning time' was 'an inevitable cost'.⁸³ In Blue Funnel's Australia-Malaysia trade, a pay award in May 1970 to the Australian waterfront workers led to a further 20 per cent increase in cargo costs 'which now absorb over half our revenue and which leave us with barely sufficient to break even', complained Chairman Alexander.⁸⁴ The repatriated radicals from Liverpool's communist-influenced Chinese Seamen's Union resurfaced after the Second World War to haunt Blue Funnel in the Hong Kong Seamen's Union (HKSU).⁸⁵ By the late-1960s, HKSU wage demands were couched in the anti-imperialism of the Cultural Revolution, and 'militant cells' apparently operated amongst crews.⁸⁶

Political risk dovetailed with economic exposure. Harrisons found in 1961 that 'nearly the whole of the profit on the voyages came from the carriage of outward cargo'.⁸⁷ Here was an ominous indicator of the economic travails afflicting many post-colonial states, in which the terms of trade moved against the developing world upon whose purchasing power the Liverpool lines depended. The declaration of Harrisons' directorate that 'the UK's entry into the European Common Market is unlikely to prove of any immediate benefit' was equally revealing.⁸⁸ Liverpool's shipping nexus was divorced from the high-value, intra-European trade which was driving the UK economy by the 1960s. Wedded to a colonial division of labour, swapping manufactured goods for raw materials and foodstuffs, Liverpool shipping remained vulnerable in the face of volatile commodity markets. Even before nationalisation, Booker, dependent upon

⁷⁹ L. Schler, *Nation on Board: Becoming Nigerian at Sea* (Athens, OH, 2016), 88-95.

⁸⁰ MMM, B/BROC/5/2/11, Report by Cottingham and Newland, 19 January 1949, 11.

⁸¹ MMM, B/BROC/5/2/15, Report by Captain Mackenzie, 3 January 1951, 29.

⁸² Watson, *Bibby*, 47.

⁸³ MMM, OA/JLA/5/1, note on WASC.

⁸⁴ MMM, OA/4031/1, *ARE&A/Cs 1970*.

⁸⁵ Foley & Foley, *Sea Dragons*, 72-3.

⁸⁶ MMM, OA/2579, enclosures in Hong Kong to Liverpool, 28 Dec 1967; Hong Kong to Storey, 10 Dec 1969.

⁸⁷ MMM, B/HAR/1/2/4, Directors' Report 1961.

⁸⁸ *Ibid.*

the monoculture of Guyana, experienced a dramatic reversal of fortunes in the early-1970s as sugar boom turned to bust – shipping’s contribution to Booker group profits declined by over two-thirds from 18.7 per cent in 1969 to 5.8 per cent in 1972.⁸⁹ Though politically-stable, even the old Dominions remained on the margins of the global economy. Tellingly, Ronnie Swayne saw Western Australia’s potential in ‘pastoral and mineral development’ not manufacturing, while Ocean’s Nautical Adviser disparagingly remarked that inefficient stevedoring was ‘probably the effect of the tropical climate on the poor white’.⁹⁰

Extracting returns was not helped by financial mismanagement. Ghana’s currency problems were so ‘vexing and frustrating’ for Elders by the mid-1960s that the chairman told the British High Commission in Accra that ‘we may very well have to refuse to carry cargo from or to Ghana except on the basis that either freight is paid outside Ghana or in Ghana in freely convertible currency’.⁹¹ Similar was feared in Burma where ‘there is little joy in carrying cargo if there is a likelihood of either our being paid in devaluated currency or not being paid at all’.⁹² Nigeria’s 1970s oil boom was good news for Elder Dempster. In 1976, 80 per cent of the line’s profits derived from Nigeria, allowing Elders to contribute ‘virtually all’ the operating surplus of Ocean’s Liner Division.⁹³ In the 1980s, however, West Africa was in the doldrums economically. Outward liftings in 1988 were ‘well down’ even on 1987 which previously held the record for the ‘lowest level of southbound cargo’, and Ocean failed to make an ‘adequate return’.⁹⁴ For the Caribbean, meanwhile, Harrisons’ chairman reported in 1984 that:

The general poverty of... those countries... which lack oil resources continues to prevent the level of trade activity that we would like to see, whilst those with such resources... have suffered from chronic dissipation of the huge amounts of money which the OPEC era... brought to them... Trinidad is now reaping all the problems sown during the recent years of spendthrift policies. Import controls and higher taxation are... the orders of the day.⁹⁵

Widespread port congestion reflected and exacerbated financial difficulties. In 1961, George Palmer Holt of Blue Funnel reported that the volume of trade had outrun Indonesia’s port capacity. Goods that should have been ‘passed through within a week or ten days [were] there for weeks on end’.⁹⁶ Quays blocked with cargo meant an ‘immediate restriction in the use of mobile equipment, cranes, and trucks, and on the passage of railways trucks and also limitation of working space for the dock workers’.⁹⁷ There were ‘extraordinary delays’ in post-independence India too – round voyages were reduced from 2 to 3 per annum,

⁸⁹ Slinn and Tanburn, *Booker*, 93, 216.

⁹⁰ MMM, OA/JLA/5/1, WASC note; note by Sparks, 7 November 1969.

⁹¹ MMM, OA/2273, Lane to Smedley, 5 January 1965.

⁹² MMM, OA/2273, Lane to McCrae, 13 May 1965.

⁹³ MMM, OA/400, undated paper by G.J. Ellerton.

⁹⁴ MMM, OA/5001/17, *AR&A/Cs 1987*, 11; *AR&A/Cs 1988*, 18.

⁹⁵ MMM, B/HAR/3/1/2, Chairman’s report for year ended 30 Sept 1984.

⁹⁶ MMM, OA/1869/1, Memorandum on harbours, c. September 1961.

⁹⁷ *Ibid.*

‘mortgaging valuable cargo space which could have been utilized more profitably elsewhere’.⁹⁸ According to James Taylor, a former Hall Line managing director in Liverpool, Indian port inefficiency was directly linked to flag discrimination in the allocation of berths and cargoes.⁹⁹ Passengers were in short supply for Bibby not due to the attractions of air travel but because they could not abide in-port delays.¹⁰⁰ Throughout western Africa – at Apapa, Matadi, Lobito and Port Harcourt – Elders experienced ‘recurrent’ jams during 1971.¹⁰¹

To get the ships moving required a set of additional, ‘off-balance-sheet’ transactions. A Blue Funnel skipper reported for Sumatra in January-February 1961 that ‘to obtain cooperation’ ‘Customs and Police etc.’ at Pladju were given ‘six bottles of Whisky plus 4,300 cigarettes’ and at Sungei Gerong ‘4 bottles [of] Whisky and 2,800 cigarettes’.¹⁰² Besides flag discrimination and long delays, ‘various dubious practices’ persuaded Harrisons to quit India in the mid-1950s.¹⁰³ Economic difficulties in post-colonial states exacerbated failing port security. John Goble, a chief officer with Elders, found protecting cargo ‘a constant preoccupation’.¹⁰⁴ ‘[A]s the countries of West Africa succumbed to civil disorder’, theft ‘became both organised and routinely violent’.¹⁰⁵ Ships themselves ‘became the focus of criminal attention... anything of value not immediately required was kept under lock and key’.¹⁰⁶ Because of growing pilferage while vessels were in port, Harrisons’ Calcutta agents employed five ex-army Gurkha watchmen in 1953.¹⁰⁷ Stealing and port congestion were often interlinked as George Holt appreciated for Indonesia. Overfull transit sheds slowed cargo movement, leading to ‘faulty stacking with deleterious effects on the goods and lack of security against theft’.¹⁰⁸

Generally, Liverpool’s shipowners envisaged gloomy prospects for the post-colonial world. In 1950s India, Brocklebanks’ executives worried about the destabilising effects of both communism and communalism, and expected inefficiencies through Indianisation and state intervention.¹⁰⁹ Guinea Gulf’s purchase by Elder Dempster hardly represented an enthusiastic embrace of West African trade. Rather, as Elders’ director Bruce Glasier explained, the takeover was a defensive strategy ‘to prevent [Guinea Gulf] going to Maersk ownership’ and thus allowing the Danish line an unwelcome anchorage in both Liverpool

⁹⁸ Cubbin, *Harrisons*, 235.

⁹⁹ Taylor, *Ellermans*, 135.

¹⁰⁰ Watson, *Bibby*, 47.

¹⁰¹ MMM, OA/JLA/11/1, Minutes of Financial Control Sub-Committee Lines (No. 1), September 1971.

¹⁰² MMM, OA/1869/1, Holt to Spreckley, Jakarta, 14 April 1961.

¹⁰³ Cubbin, ‘Struggle’, 7.

¹⁰⁴ J. Goble, ‘Liverpool and West Africa: twilight of an individual trade’, *Bulletin of the Liverpool Nautical Research Society*, 60, 4 (March 2017), 4-6, 4.

¹⁰⁵ *Ibid.*

¹⁰⁶ *Ibid.*

¹⁰⁷ MMM, B/HAR/1/8/4, Hoare Miller & Co. to Liverpool, 9 April 1953.

¹⁰⁸ MMM, OA/1869/1, Memo, September 1961.

¹⁰⁹ MMM, B/BROC/5/2/13, Report on Philip Bates’s Indian trip, December 1949-March 1950; B/BROC/5/2/17, letters from A.R. Hughes to Liverpool, February-March 1953; B/BROC/5/2/19, Report by Philip Bates on Ceylon, India and East Pakistan trip, 15 January-20 February 1960.

and West Africa.¹¹⁰ In 1967, and irrespective of ‘political upheavals’, the head of the Ocean group saw structural limitations on West Africa’s growth: ‘the traffic consists almost entirely of cheap primary products’ whose ‘naturally low rates’ were ‘held down [further] by political pressure reinforced by national poverty, dissension within the Conference, and the incursion of numerous outsiders’.¹¹¹

Even the soon-to-be tiger economies of Pacific Asia were not considered a ‘growth stock’ by Nicholson in 1963:

Japanese expansion will be creamed off by Japanese Lines; Hong Kong trade will shift to the Continent; in Malaya synthetic [rubber] competition will make for contraction rather than expansion; we can’t stop the participation of new native Lines and we shall have difficulty in preserving the generally sheltered position of the trade.¹¹²

Diversification: what Liverpool shipowners did next

Given all the difficulties of the decolonising world, Liverpool’s imperial lines displayed remarkable resilience and fortitude. Bibby withdrew its passenger services to Burma and Ceylon in 1965, but cargo operations continued to 1971.¹¹³ The same year witnessed the last Canadian Pacific voyages on the Liverpool-Montreal run.¹¹⁴ Blue Funnel’s and Clan’s farewells to the Mersey were in 1978 and 1981 respectively.¹¹⁵ Cunard’s last Canadian passenger vessel moved to Southampton in 1956.¹¹⁶ But Cunard’s freight services continued to be managed from Liverpool and were fused into Cunard-Brocklebank after 1968. The last Cunard service to India and the Middle East was in 1983.¹¹⁷ A year later, Booker and Ellermans finally left the Liverpool Steam Ship Owners’ Association.¹¹⁸ Elder Dempster was sold to a French group in 1989.¹¹⁹ The last Harrisons regular liner service to use Liverpool (in the Caribbean schedule) was in 1993.¹²⁰

Why should Liverpool’s transnational shipping lines change course when profits were still achievable? A BBC journalist reported in the early-1970s that ‘shipping’s return on capital has been amongst the lowest in British industry for a number of years’.¹²¹ Yet, in terms of earnings per gross ton, Figure 3

¹¹⁰ MMM, OA/1296/2, Glasier to Tennant, Merchant Navy and Airline Officers’ Association, 10 November 1964.

¹¹¹ MMM, OA/JLA/20/1, Note on visit to Ghana and Nigeria, 27 February 1967.

¹¹² MMM, OA/1696/1, Note of conversation with P&O and Ben Line, 1 May 1963.

¹¹³ Watson, *Bibby*, 47-8

¹¹⁴ Musk, *Canadian*, 200.

¹¹⁵ N.R. Pugh, ‘Blue Funnel’s Farewell to the Mersey’, *Bulletin of the Liverpool Nautical Research Society*, XII, 2 (April-June 1978), 42; Sinclair, *Uncharted*, 296.

¹¹⁶ ‘Saxonia and Ivernia’, www.liverpooships.org/Saxonia-and_ivernia_Cunard_line.html, accessed 25 January 2021.

¹¹⁷ T. Scarrott, ‘Sailing with Thos. & Jno. Brocklebank, Cunard-Brocklebank and Cunard Cargo Shipping’, *Shipping Today & Yesterday* (July 2014), 38-42, 40-2; ‘Thos. & Jno. Brocklebank (Brocklebank Line)’ <https://www.theshipslist.com/ships/lines/brock.shtml>, accessed 21 January 2021; I. Farquhar, *The Tysler Legacy: A History of the Port Line and its associated companies* (Wellington, 2006), 194-6.

¹¹⁸ MMM, D/SS/2/29, *Annual Report 1984/5*.

¹¹⁹ MMM, OA/5001/18, *AR&A/Cs 1988*, 3.

¹²⁰ G. Cubbin, ‘Struggle and Survival: The Story of Thos. & Jas. Harrison Ltd. since 1938’ in Shepherd, *Sixty Years*, 1-16, 14.

¹²¹ G. Turner, *Business in Britain* (Harmondsworth, 1971), 307, 308-9.

shows that from 1945 to 1964 Liverpool's imperial lines performed no worse than the UK average (as reported in the leading trade journal, *Fairplay*). The data is not comprehensive. Private companies – notably Harrisons and Bibby – had no obligation to divulge results, while others, such as Booker and Canadian Pacific, were shipping divisions of larger conglomerates. But there is a sufficiently representative sample, regional and national, imperial and non-imperial, to make meaningful comparisons – notably that Elder Dempster and Blue Funnel consistently achieved above-mean profitability.

With the change in *Fairplay*'s recording procedure from 1965, Figure 4 presents the return on capital employed (pre-tax profits as a percentage of net assets) for the biggest British overseas shipping groups to 1972. Again, Liverpool did relatively well – notably Ocean (including Blue Funnel and Elder Dempster) but also B&C (including Clan). Ellermans (including Hall and Papayanni) was less impressive but only Cunard, the least colonial of the Liverpool cluster, fell seriously into the red having 'spent a large part of the 1960s fighting for its life, with losses in five consecutive years prior to 1968'.¹²² Moreover, Cunard's crisis was primarily due to technological change rather than decolonisation - the 'devastating impact' of the commercial jet airliner on the North Atlantic from the end of 1958 given that over half of Cunard's revenues derived from passenger services. Cunard's primary focus was catering for US holiday travellers to and from Europe and 85-90 per cent of passengers sailed from Southampton.¹²³ If anything, Cunard's post-imperial cargo liners, still serving and operated from Liverpool, were ordinarily profitable, effectively subsidising the famous *Queen Mary* and *Queen Elizabeth* in the 1960s and keeping the group from sinking altogether.¹²⁴ Port Line was judged Cunard's 'best property' in the early-1970s, and was given a new lease of life through a joint service with Blue Star (as was Brocklebank with P&O).¹²⁵

As it turned out, national lines were frequently paper tigers. UNCTAD's Liner Code was never universally applied and national fleets were in such a parlous state by the 1980s, especially in Africa, that they were incapable of carrying the 40 per cent of trade allotted to them.¹²⁶ Nicholas Barber, a strategist at Ocean in the 1970s and later chairman of the group, stressed that greater challenges arose from the industrialised world.¹²⁷ As has been shown, Blue Funnel and Elders were much exercised by Japanese and Scandinavian competition during the 1960s. Even so, fears of being squeezed out by the indigenes were very real at the time. A top-level sub-committee chaired by Ocean's chief executive considered in 1971 that 'the nationalistic aspirations of Nigerian National Line and BSL (Ghana) could well erode our present share of the trade'.¹²⁸ Elder Dempster's chairman wrote to a Belgian colleague in 1977 that 'the real threats to liner shipping' emanated 'from the Eastern bloc and the Group of 77 [the coalition of Global South

¹²² *Ibid.*, 307. The downturn in Cunard's performance from the late 1950s is also evident in Figure 3.

¹²³ *Ibid.*, 315, 322; see also Hyde, *Cunard*, 294, 296.

¹²⁴ Hyde, *Cunard*, 311, 313, 318; Scarrott, 'Brocklebank', 40.

¹²⁵ Turner, *Business*, 322; Hyde, *Cunard*, 319.

¹²⁶ E.g. see E. Chilaka, *The Rise, Fall and Liquidation of Africa's Pioneer Carriers: Nigerian National Shipping Line and Black Star Line* (Munich, 2019).

¹²⁷ Email communication, 18 February 2013.

¹²⁸ MMM, OA/JLA/11/1, Financial Control Sub-Committee Lines.

countries at the UN].¹²⁹ At Clan/B&C by the later-1960s, leading decision-makers concluded that conventional liner shipping was ‘ultimately doomed’.¹³⁰ As a result, shipowners began to push far-reaching diversification both within and without shipping. For the Liverpool nexus, redeployment proved the crucial linkage between decline and decolonisation.

Harrisons’ directors in 1966 found that throughout their trades costs were ‘rising alarmingly’ and ‘the freedom... to obtain compensating rates of freight’ was ‘being circumscribed by overseas Governmental intervention’, while flag discrimination was ‘ever present’.¹³¹ To adapt ‘practices to changing circumstances’, therefore, the executives in Mersey Chambers ‘joined a consortium of companies investigating the advisability of using Containers’.¹³² This technological leap would be very costly – hence the need for combinations with other shipowners – but Harrisons recognised that ‘we may, in the long term, benefit, and prevent incursions into our trade by outsiders’.¹³³ Following experience with ACT, Harrisons participated in container enterprises in the Caribbean, South and East Africa during the 1970s and 1980s (joined by Ellermans from the Liverpool cluster, and indirectly Ocean and B&C via OCL, in the latter operations).¹³⁴ Yet, it was bulk-carrying, with investment in five new huge carriers between 1973 and 1975, which was Harrisons’ ‘most important’ move away from the liner business. This was effectively ‘tramping’ - ‘carrying cargoes all over the world, wherever a voyage – or time-charter – was offered’.¹³⁵

Harrisons also made moves out of shipping altogether. A 1967 strategy paper emphasised current impediments and imponderables arising from: ‘the diminishing export trade... to the West Indies’; ‘troubles in... South and East African trades due to political uncertainties’; the unknown containerisation ‘colossus’; and, ‘the somewhat bleak outlook with regard to future shipowning in this country’.¹³⁶ Hence, investing reserves in UK-based companies was proposed. As well as shipping-related services, this took Harrisons into previously uncharted channels like insurance, manufacturing and North Sea oil.¹³⁷

Diversification to escape decolonisation was frequently unsuccessful and became resource-depleting (of both cash and time). In line with British overseas banks and trading companies, Liverpool’s shipping lines lacked the geographical and product know-how needed to make their new ventures pay.¹³⁸ Canadian Pacific’s outdated passenger ships were ill-suited to cruising.¹³⁹ As a hedge against expropriation in Guyana, Booker invested in UK and European coasting from 1955. But, the *raison d’être* of the group’s shipping

¹²⁹ MMM, OA/2477, Ellerton to Pluys, Compagnie Maritime Belge, 8 March 1977.

¹³⁰ Sinclair, *Uncharted*, 254-5, 269; OA/JLA/22/3, Note by Anderson, 29 September 1971.

¹³¹ MMM, B/HAR/1/7/1, Summary of Operations 1965.

¹³² *Ibid.*

¹³³ MMM, B/HAR/1/7/7, Directors’ Meeting, 27 July 1966.

¹³⁴ Cubbin, *Harrisons*, 237-8, 341-2.

¹³⁵ *Ibid.*, 237.

¹³⁶ MMM, B/HAR/1/7/7, Note of 19 May 1967 (author unidentified).

¹³⁷ Cubbin, ‘Struggle’, 8; Cubbin, *Harrisons*, 236-7.

¹³⁸ G. Jones, *British Multinational Banking, 1830-1990* (Oxford, 1993), 328-46; G. Jones, ‘Business Groups Exist in Developed Markets Also: Britain since 1850’, Harvard Business School Working Paper 16-066 (November 2015), 20.

¹³⁹ Musk, *Canadian*, 50.

business was the transportation of sugar and rum from the Caribbean, and so Booker struggled to make its new departure profitable.¹⁴⁰ Harrison's chair reported in 1984 that Burco Dean Plc in which the line had a 20 per cent stake experienced another disastrous year. Loss-making activities were cut out, leading to the sale of Burco's kitchen furniture and appliance divisions.¹⁴¹ A chemical tanker and liquefied gas carrier in 1988, meanwhile, proved 'about as relevant to the Harrison Line's psyche as, say, an investment in British Gas'.¹⁴²

Ocean's most costly diversification blunder was in bulking – with the group sinking £50 million alone by May 1975 in an LNG project where the carrier was immediately laid up on delivery.¹⁴³ In the view of Ocean's chief naval architect:

the rather agonizing ship purchasing programme... took [India Buildings] into ship types and trades new to the company... [Blue Funnel's] exceptional reputation... and expertise extended only to liner shipping... [Ocean] were going into the risky and hitherto despised tramp shipping and charter business, and with ships of very high value.¹⁴⁴

In a failed intra-Caribbean distribution business in the 1970s, meanwhile, Ocean, according to director Julian Taylor, lacked knowledge: 'the area was past its growth potential, capital investment from outside was not readily welcome, and we might have spotted these changes by more pre-acquisition knowledge'.¹⁴⁵ Blue Funnel's staff 'were neither skilful enough to sniff the difficulties or astute enough financially to report in cold cash terms of our mistakes'.¹⁴⁶

Meanwhile, in a trans-national airline business (wound up in 1968), the entrepreneur with whom Blue Funnel partnered complained that he found himself 'dealing with... shipping companies who [didn't] understand airlines'.¹⁴⁷ Brocklebanks was kept afloat through the 'steady profit[s]' of Moss Tankers purchased in 1964.¹⁴⁸ By the mid-1960s, however, the huge capital commitment in the BOAC-Cunard air debacle 'threatened the existence' of the Cunard group as a whole.¹⁴⁹ Clan/B&C also 'lost a lot of money' in airlines, confessed a former director.¹⁵⁰

Elder Dempster made its bid to break-free from West Africa through car transportation between the UK and Scandinavia after 1967. Yet, while demand existed for Swedish automobiles in Britain there was

¹⁴⁰ Slinn and Tanburn, *Booker*, 80, 147.

¹⁴¹ MMM, B/HAR/3/1/2, Chairman's report for year ended 30 September 1984.

¹⁴² Cubbin, *Harrisons*, 344.

¹⁴³ MMM, OA/2412/3, note by Taylor for Ellerton, 13 May 1975; OA/2412/7, note for Meek, 27 October 1977.

¹⁴⁴ M. Meek, *There Go the Ships* (Spennymoor, 2003), 174-5.

¹⁴⁵ MMM, OA/2412/7, Taylor to St. Johnston, 12 April 1977.

¹⁴⁶ *Ibid.*

¹⁴⁷ MMM, OA/2468, Stanley Wilson in extract from *Flight International*, 5 December 1968.

¹⁴⁸ Hyde, *Cunard*, 314-5.

¹⁴⁹ *Ibid.*, 300.

¹⁵⁰ Sinclair, *Uncharted*, 292.

less appetite for uncompetitive British cars in Scandinavia, and hence a serious outbound-homebound cargo imbalance developed.¹⁵¹ Meantime, Elders/Ocean had not appreciated the fierce level of competition, while, compared to Liverpool, the group lacked key knowledge and clout in Felixstowe from where the transporters operated. Costs soared as acquiring ‘berths, parking space and other necessary facilities’ became ‘one long hard daily battle’.¹⁵² Delays at Felixstowe started ‘a vicious circle making it necessary... to work costly overtime at the Scandinavian ports in an effort to regain schedules’.¹⁵³ In early-1973, the project was shut down.¹⁵⁴

Bibby fared better in the long run.¹⁵⁵ Notwithstanding shifts into financial services and land-based distribution in the 1980s, Bibby was reckoned the UK’s oldest independent deep-sea shipping company (and with its head office still in Liverpool in the twenty-first century). Under Derek Bibby’s leadership after 1969 the management abandoned previous practice of financing newbuilding from reinvested profits for big borrowing.¹⁵⁶ Inter alia, in the early-1970s, four giant LPG carriers were purchased which would prove to be ‘amongst the best buys made by the Bibby Line’.¹⁵⁷ But Derek Bibby later admitted that he didn’t understand the abbreviation LPG when first offered a special-purpose vessel by his London broker!¹⁵⁸ Moreover, in the shipping slump after 1973, the Liverpool line was in deep trouble. Given cash flow problems and massive financial exposure through hefty loan re-payments, Bibby’s chairman approached Ocean on possible collaboration during 1974 and again on selling ships and Bibby’s share in the North Atlantic Dart container consortium in 1976 and 1977.¹⁵⁹ Costly to establish and operate, Dart ‘was never profitable’ and was finally offloaded to a Hong Kong shipowner in 1980.¹⁶⁰ In 1977, seven Bibby vessels were laid-up, and Bibby withdrew from the Seabridge consortium in UK-Canada bulking.¹⁶¹ As Sir Derek candidly confessed in retirement, the fortuitous sale of Bibby’s tax losses ‘ensured our survival when so many others fell’.¹⁶²

Furthermore, when successful, diversification sucked business away from Liverpool. Despite the pleadings of Prime Minister (and MP for Huyton) Harold Wilson, Tilbury was chosen as the UK terminal for OCL’s Australian service. Commencing in 1969, London had the distinct advantage of ‘covering

¹⁵¹ MMM, OA/JLA/11/3, letter to Wilson, Mountwood Shipping Co., 14 August 1970; OA/JLA/17/2, note by Alexander for directors, 23 June 1972 and attached note by St. Johnston, 16 June 1972.

¹⁵² MMM, OA/JLA/11/1, Walker, Felixstowe to Wilson and Rosoman, Liverpool, 30 December 1971.

¹⁵³ *Ibid.*

¹⁵⁴ MMM, OA/JLA/17/2, Note for directors, 17 January 1973.

¹⁵⁵ O. Jones et al, ‘Dynamic capabilities in a sixth-generation family firm: Entrepreneurship and the Bibby Line’, *Business History*, 55, 6 (2013), 910-41.

¹⁵⁶ ‘Sir Derek Bibby, Bt’, *Daily Telegraph* and *Times*, 11 October 2002; Bibby, *Glimpses*, 51.

¹⁵⁷ Watson, *Bibby*, 51.

¹⁵⁸ *Ibid.*

¹⁵⁹ MMM, OA/2412/3, Note by Taylor for Wright, 26 September and Alexander, 27 and 30 September 1974; OA/2412/5, Note for Alexander, 29 June 1976; OA/2412/7, Note for Alexander, 27 May 1977.

¹⁶⁰ Watson, *Bibby*, 50, 54.

¹⁶¹ Watson, *Bibby*, 53.

¹⁶² Bibby, *Glimpses*, 77.

Continental cargo, by direct call or with transshipment', while being better located for distribution within the UK.¹⁶³ Subsequently Southampton won in the battle for the Far East service after 1972. Liverpool had navigational difficulties compared to Southampton with its ample water and land space. But, fundamentally, as the R&D whizz-kids at OCL appraised: 'Liverpool never really looked like being in the running' because it was 'on the wrong side of the UK for calls by ships carrying containers from the Far East for the Continent'.¹⁶⁴ As such, it was 'unwise to leave Southampton wide open to other Lines which could, by using the port, gain a very real advantage'.¹⁶⁵

The Ocean group was an employer of about 15 per cent of Merseyside's dock labour in the late-1960s.¹⁶⁶ The attraction of containerisation in eastern Asia, meanwhile, was to capture the higher value manufactures of Hong Kong and Singapore, leaving Liverpool with the dregs of the old 'colonial' commodity trades of Southeast Asia.¹⁶⁷ This obviously had negative multiplier effects. The container vessels of the national lines such as MISC did not visit Liverpool either, and Figures 1 and 2 illustrate a clear decline in Asian trade from the early-1970s.¹⁶⁸ As appreciated by the business editor of the *Liverpool Daily Post* in 1969, only because containers were deemed 'at present unsuitable' in West Africa would Elders and Palm Line 'long continue to regard Merseyside as their home'.¹⁶⁹

ACT's first sailing in 1969 was from Southampton, and the containerisation of the South and East African trades in the 1970s drew Harrisons' and Ellermans' ships further away from Liverpool to England's eastern and southern ports (and, in the 1990s, as demonstrated previously that applied to Harrisons' Caribbean services too).¹⁷⁰ The South Africa-Europe consortium used Southampton because of existing refrigerated fruit handling facilities there. The *City of Durban* (jointly owned by Harrisons and Ellermans) only visited Liverpool once in 1982 because of labour troubles in Southampton.¹⁷¹ Ellermans operated a container service from the Mersey to Israel after January 1971. But the Liverpool focus was increasingly lost through the amalgamation of the constituent lines into Ellerman City Liners in 1972. The headquarters were in London and the Liverpool company offices were relegated to branch status.¹⁷²

Liverpool's interests in Cunard were obviously not best served by the sale of the Cunard Building and the move of the head office down South in 1968. Subsequent acquisition by multi-faceted Trafalgar House in 1971 further eroded Cunard's Liverpoolness. Cunard became a shipping division as an add-on to the

¹⁶³ MMM,OCL/F/58, Alexander to Crichton, P&O, 24 and 26 Oct 1967; Note by Alexander for Holt, 15 July 1968.

¹⁶⁴ MMM, OCL/F/58, Paper by R&D Division, OCL, 3 November 1969.

¹⁶⁵ *Ibid.*

¹⁶⁶ MMM, OCL/F/58, Notes of 2 December 1968.

¹⁶⁷ Barber email.

¹⁶⁸ Bunnell, *World City*, 89-90.

¹⁶⁹ Hargraves, 'Ocean'.

¹⁷⁰ Cubbin, *Harrisons*, 238, 341-2.

¹⁷¹ Email communication from Michael Jones (former Harrisons' manager), 2 February 2012.

¹⁷² Taylor, *Ellermans*, 160, 172-4.

conglomerate's hotel and leisure business.¹⁷³ For a Brocklebanks' chief officer, Cunard was 'no longer a shipping company... just another way to make money', and the Liverpool-based 'freight side stagnated'.¹⁷⁴ Concurrently, B&C was 'fast becoming a financial investment group' with 58 per cent of net capital by 1970 in its investment portfolio and trade investments.¹⁷⁵ To the bewilderment of the Clansmen, these assets, such as the private Wellington hospital in London, were rarely, if ever, sunk in maritime activities.¹⁷⁶ By 1983, the Ellerman family also believed 'there were better ways of making money than running a shipping company'.¹⁷⁷ Revealingly, B&C's interest in a possible takeover of Ellermans was not for the shipping but for the London-centred property, newspaper and brewing portfolio.¹⁷⁸

A Canadian Pacific container service began in April 1970 from Greenock and Liverpool to Quebec.¹⁷⁹ Yet, in May 1969, the *Liverpool Daily Post* noted that Canadian Pacific had been 'slowly moving key personnel away from the area and are no longer quite the force in the Liverpool shipping scene they were'.¹⁸⁰ Indeed, to phase out the break-bulk service on the North Atlantic, Canadian Pacific moved its headquarters from Liverpool to London in February 1969. From the end of 1973, Canadian Pacific ships withdrew from Liverpool to concentrate on the London and continental European container service.¹⁸¹ Although Harrison's bulkers remained controlled from Liverpool into the twenty-first century, the 'rarity' with which the vessels actually visited was 'reminiscent of a comet from outer space, though less predictably!' quipped Graeme Cubbin.¹⁸² Given their 'size and type', Bibby's bulkers were rarely seen on Merseyside either.¹⁸³

Finale: The Leaving of Liverpool

The final nail in the coffin for Liverpool overseas shipping proved to be decolonisation-induced diversification. The end of empire requires more attention alongside industrial decline, entrepreneurial weakness, government-business and labour relations, and technological change in explanations of the demise of the British merchant marine (and Liverpool's liner shipping particularly).¹⁸⁴ James Taylor, who first joined Hall Line in Liverpool in 1927 and ended his career as deputy-chairman of Ellermans (1972-4), reflected that internecine disputes between shipowners were ultimately of 'little importance' compared to the 'end of colonialism and the start of intense nationalism'.¹⁸⁵ Graeme Cubbin, also with first-hand

¹⁷³ Hyde, *Cunard*, 316-7.

¹⁷⁴ Scarrott, 'Brocklebank', 41.

¹⁷⁵ Turner, *Business*, 320.

¹⁷⁶ Sinclair, *Uncharted*, 284, 289-90.

¹⁷⁷ Cubbin, *Harrisons*, 343.

¹⁷⁸ Sinclair, *Uncharted*, 286-7. Ellermans was bought instead by the asset-stripping Barclay Twins. The shipping business was subsequently divested in a management buy-out.

¹⁷⁹ Musk, *Canadian*, 60.

¹⁸⁰ Hargraves, 'Ocean'.

¹⁸¹ Musk, *Canadian*, 63, 65.

¹⁸² Cubbin, 'Struggle', 14.

¹⁸³ Hargraves, 'Ocean'.

¹⁸⁴ For a multi-causal synthesis alive to decolonisation see A.G. Jamieson, *Ebb Tide in the British Maritime Industries: Change and Adaptation, 1918-1990* (Exeter, 2002), 30-1, 160-1.

¹⁸⁵ Taylor, *Ellermans*, 89.

experience, put forward a multi-causal explanation for Harrisons' decline. Top of his list were restrictive practices, flag discrimination, UN-backed national carriers, 'tigerish, often unfair' Soviet bloc and East Asian competition, and hostility towards the conference system – all factors related to decolonisation of course. Then came UK strikes, air travel for passengers, and containers and bulkers for cargo.¹⁸⁶

Yet, as this paper and the late, great Peter Davies have shown, decolonisation and technological change were intertwined.¹⁸⁷ Unbeatable competition in the sky after 1958 hit Canadian Pacific's transatlantic passenger business as hard as Cunard's.¹⁸⁸ Nevertheless, we should not overplay the impact of air travel. As Booker discovered, Guyanisation and reduced passenger demand coincided – through decolonisation, irrespective of the jet liner, there were simply fewer expat administrators and managers to transport.¹⁸⁹ Likewise, Bibby's troop-carrying contracts were terminated in 1962 because there were no more colonial wars to fight.¹⁹⁰ Anyhow, the focus of Liverpool's premiere lines, like Blue Funnel and Elder Dempster, was the carriage of cargo – the majority of which proved either unsuited or uneconomic for air transportation. On labour relations, meanwhile, this paper has demonstrated that Liverpool's militancy was matched by dockers and seafarers in the decolonising world.¹⁹¹

Other shipping hubs in the UK, notably London, faced the same end-of-empire pressures. The London-based P&O, the world's largest shipping group, was equally exposed in India and Pakistan, Australasia and East Africa, and joined with Ocean and B&C in OCL.¹⁹² But P&O was able to exploit its locational advantage to redeploy in intra-European ferrying, while the Baltic Exchange and Chamber of Shipping focussed on chartering and tramping. London's overseas shipping sector was far better suited, therefore, to multi-centred, postcolonial globalisation than the Euro-centric liner business of the old colonial globalisation in which Liverpool specialised. Ongoing dependence upon the freight-handling liner trades – requiring regular services and reliable liftings reinforced by the stability of empire – made Liverpool especially susceptible to the global socio-economic changes unleashed by decolonisation. Here was another example, therefore, of the port city's 'exceptionalism'.¹⁹³

Nevertheless, and linked to the curatorial career of Mike Stammers, a lasting legacy of the colonial shipping cluster, and its decline through decolonisation and diversification, remains in Liverpool. Stammers played 'a key role' in the establishment of the Merseyside Maritime Museum (MMM) in 1980, and served

¹⁸⁶ Cubbin, *Harrisons*, 358.

¹⁸⁷ P.N. Davies, *The Trade Makers: Elder Dempster in West Africa, 1852-1972, 1973-1989* (St. John's, Newfoundland, 2000), 297.

¹⁸⁸ W.H. Miller, *Post-war Canadian Pacific Liners: Empresses of the Atlantic* (electronic edition, Stroud, 2013), chapters 1, 3; Musk, *Canadian*, 45, 47, 200.

¹⁸⁹ Slinn and Tanburn, *Booker*, 100, 147.

¹⁹⁰ Watson, *Bibby*, 48.

¹⁹¹ The notion that Liverpool's workforce scared away shipping can be refuted by OCL's choice of UK-Far East terminal. Labour relations 'were not considered to be an important factor' because there was 'little to choose' between Liverpool, London and Southampton. OCL/F/58, paper of 3 November 1969.

¹⁹² D. Howarth and S. Howarth, *The Story of P&O: The Peninsular and Oriental Steam Navigation Company* (London, 1994), 151-81.

¹⁹³ J. Belchem, *Merseypride: Essays in Liverpool Exceptionalism* (Liverpool, 2000).

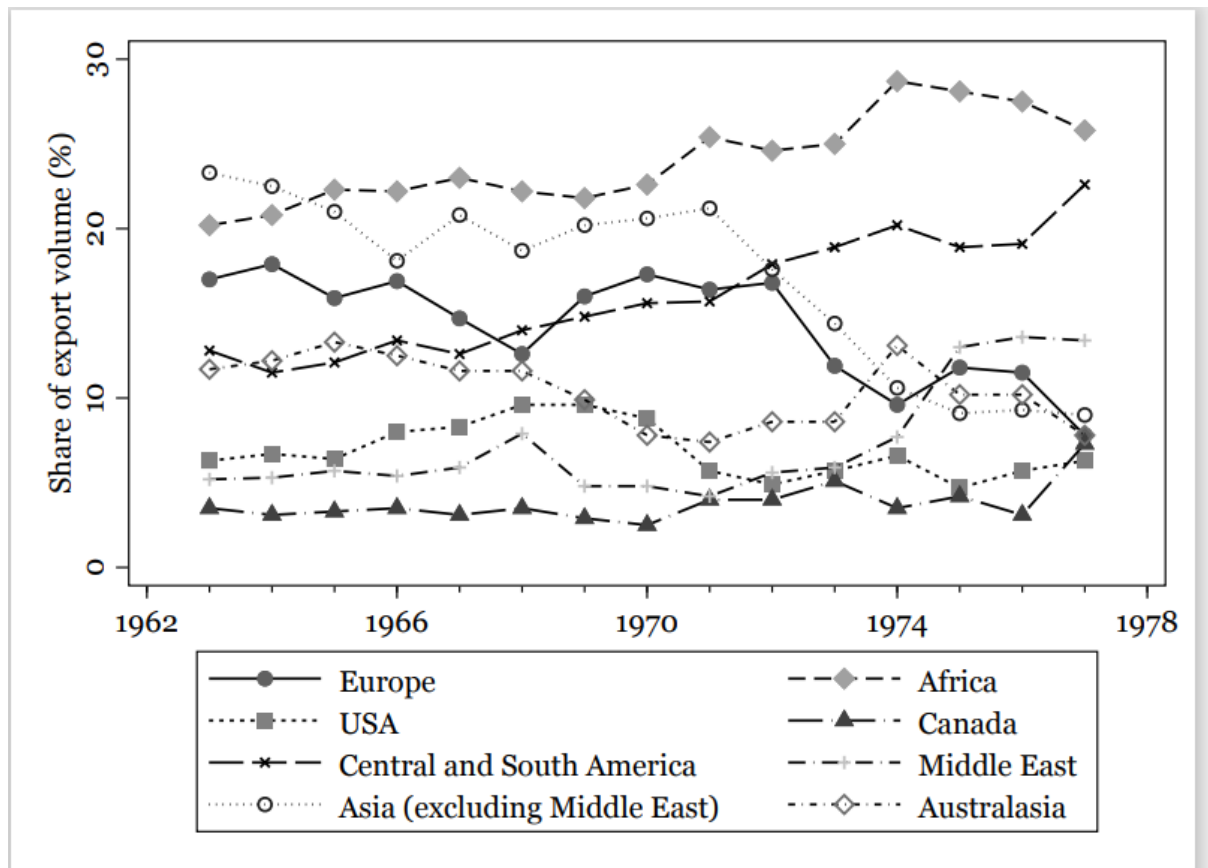
as its Keeper from 1986 to 2003.¹⁹⁴ In collaboration with the retreating imperial shipping lines, and with support from retired shipping grandees such as Bruce Glasier of Elder Dempster and George Palmer Holt of Blue Funnel (Figure 5), Stammers came to oversee ‘the development and operation of one of the most important nautical archives in the UK’.¹⁹⁵ On the largest deposit, MMM’s Assistant Keeper informed Ocean staff in February 1985 that ‘given Ocean’s worldwide activities the archive is of international significance for the history of shipping and transport’.¹⁹⁶ In drawing upon MMM’s archives, the preceding analysis has indeed demonstrated their ‘international significance’, specifically in revealing the interconnections between imperial and local change.

¹⁹⁴ R. Philpott and J. McAdam, ‘Obituary: Mike Stammers’, available at: http://www.falklandislandsjournal.org/uploads/1/0/3/1/10312058/mike_stammers-_obituary.pdf, accessed, 15 Jan 2020.

¹⁹⁵ M. Clark, ‘Review of Stammers, *Emigrant Clippers*’, *The Great Circle*, 35, 1 (2013), 96-98, 96.

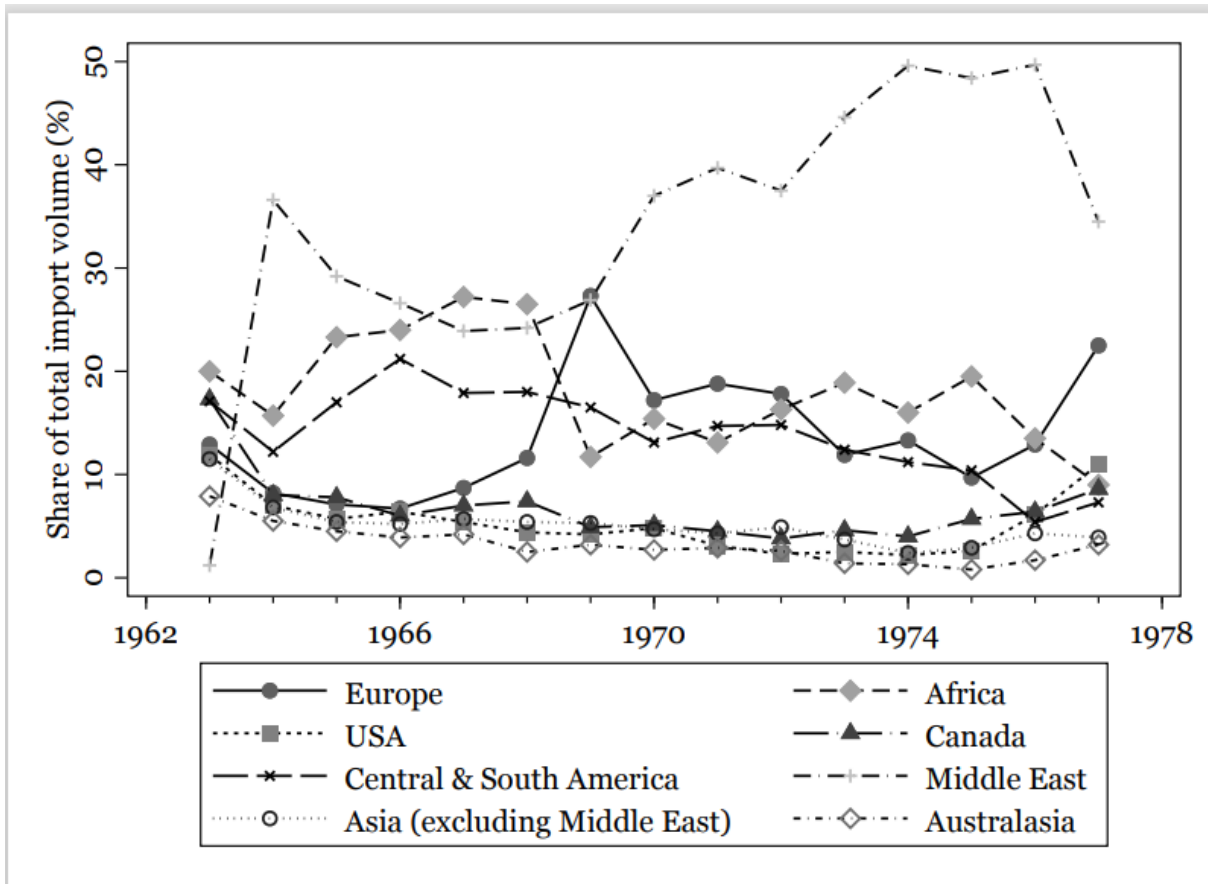
¹⁹⁶ K. Mulley, ‘All our yesterdays... Museum plans spacious centre for Ocean archives’, *Ocean Mail*, 150 (February 1985), 7.

Figure 1: Liverpool's Exports by Region, 1963-77 (% of total volume)



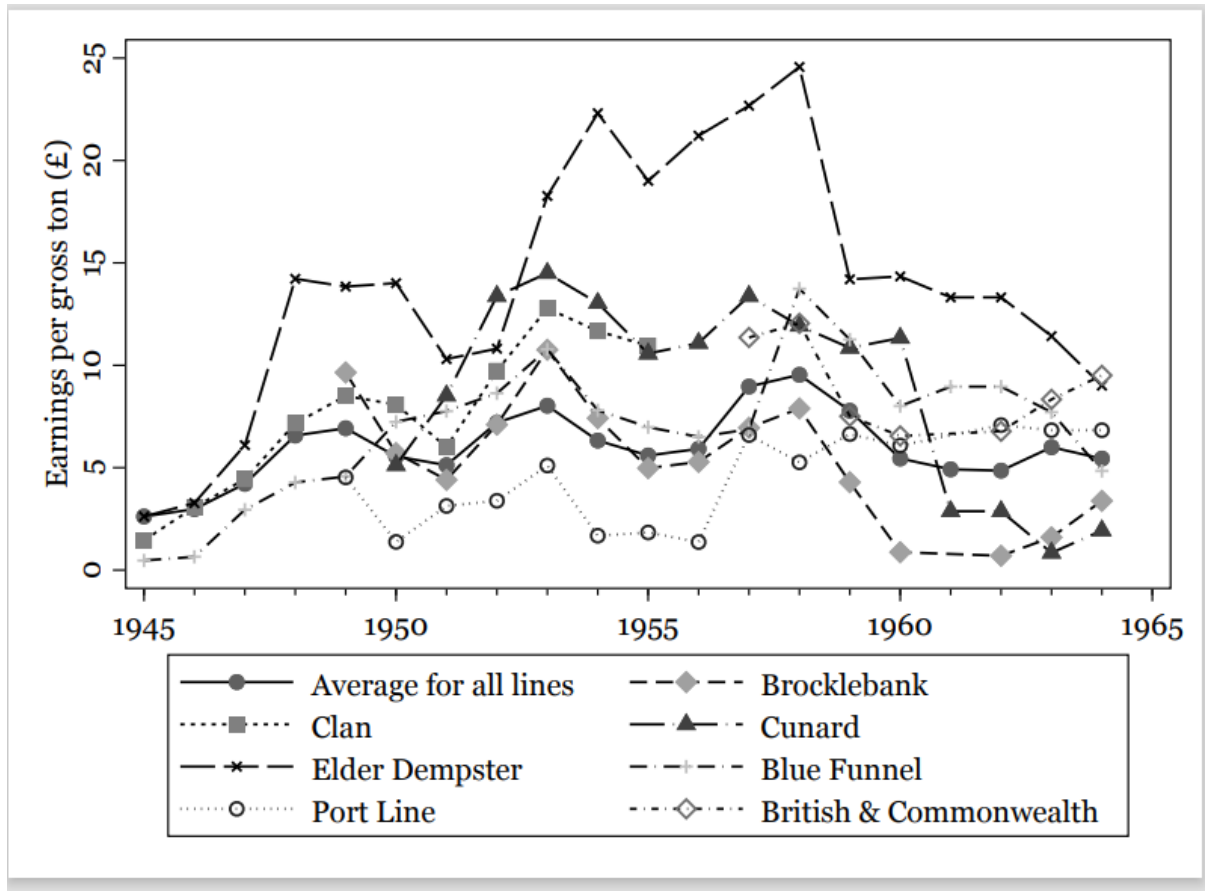
Source: MMM, D/SS/2/9, Liverpool Steam Ship Owners' Association Annual Reports, 1963-77

Figure 2: Liverpool's Imports by Region, 1963-77 (% of total volume)



Source: As Figure 1

Figure 3: Earnings per gross ton for Liverpool imperial lines, 1945-1964 (£ sterling)

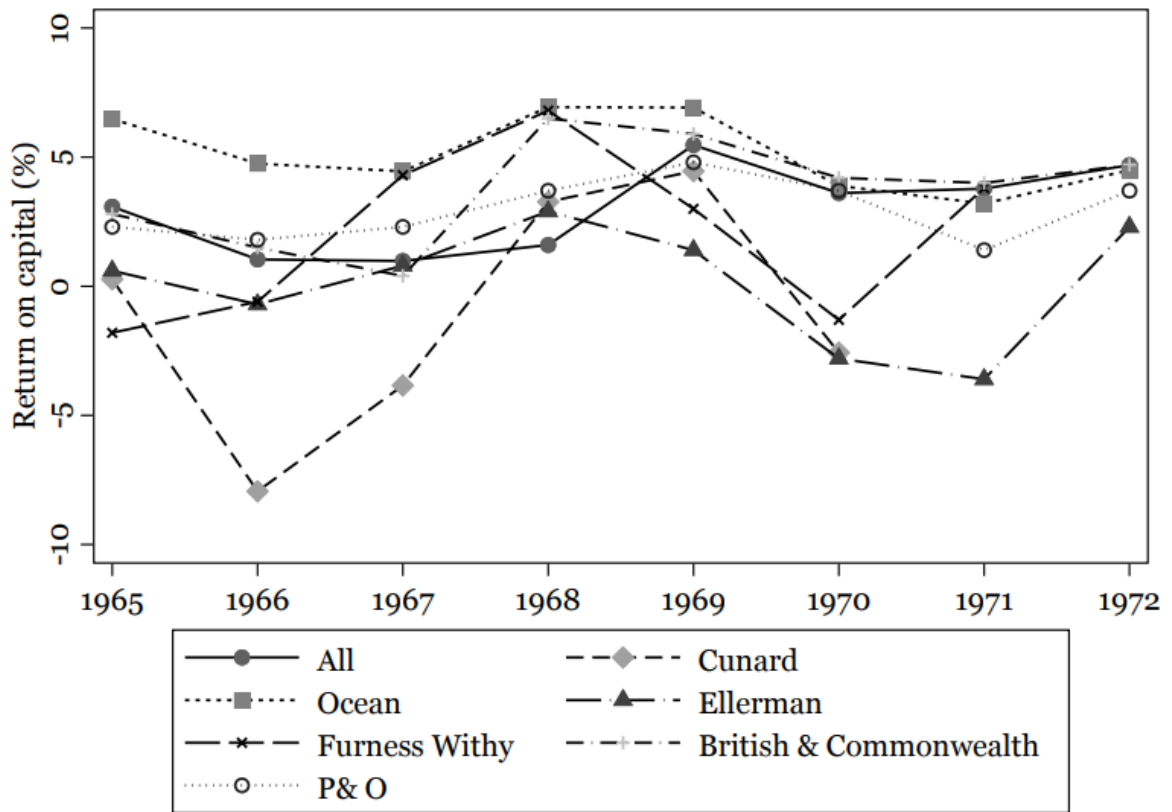


Source: *Fairplay*, 10 January 1946-14 January 1965.

Notes: Given complex ownership structures and accounting procedures for Cunard's holding company and Cunard White Star Ltd before 1950 (see Hyde, *Cunard*, 216-7, 247, 290-3), Cunard returns are only presented from that year.

B&C data includes Clan after 1957.

Figure 4: Return on Capital Employed for 'Big Six' British overseas shipping groups, 1965-72



Source: *Fairplay*, 13 January 1966-11 January 1973.

Figure 5: George Palmer Holt (left) and Mike Stammers at the opening of the Merseyside Maritime Museum, 1980



Source: MMM, OA/1151. Reproduced by permission of Deutsche Post DHL.