



COTTON II. PRODUCTION AND TRADE IN PERSIA

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Cotton was one of the first vegetable fibers used to make textiles, and, despite competition from synthetic fibers in recent times, it remains the most important nonfood agricultural commodity in the world. Early traces of cotton have been found in materials from tombs and graves in India and pre-Incan Peru dating from several thousand years b.c.e. The fiber was also produced by the ancient Chinese and was probably introduced into Egypt and the Greek mainland after the 7th century c.e. In Persia, too, cotton has a long history, probably dating back to the Achaemenid period. Since its introduction it is believed to have been cultivated throughout the land. In the 13th century c.e. Marco Polo reported the existence of cotton plantations in Sāva. There are also several references to cotton in the works of early Persian poets, particularly Ferdowsī's *Šāh-nāma*. The renowned 17th-century French traveler Jean Chardin, who visited Safavid Persia, attested to widespread cultivation of cotton (Rastār, p. 242; Dehḵodā, s.v.; Gorgānī, p. 182). In the early 19th century the British East India Company exported raw cotton from Persia to India in return for such goods as sugar and spices, dyes and oils from other parts of the empire.



In the course of the 19th century cultivation of cotton was observed by travelers in many parts of Persia, from Azarbaijan to Khorasan and eastern Māzandarān, as well as in the central regions around Yazd, Kāšān, Kermān, and Qom. At that time cotton was still a *ṣayfī* (summer) crop, sown around April and harvested in August (in the hot, damp climate of the Caspian littoral) or October (in dryer regions like Azarbaijan and the area around Shiraz). Much of the cotton grown was of the coarse short-staple variety, however; this fact, together with high transport costs, rudimentary cleaning techniques, and carelessness and dishonesty in packing, contributed to the lack of success of Persian cotton in European markets (Issawi, pp. 246-47, 249).

Apart from providing an important source of livelihood for the inhabitants of cotton-cultivating regions, cotton was significant in the broader economy of 19th-century Persia in two ways. First, it provided the raw materials for an important branch of domestic textile and [crafts](#) industries, which employed many people. In many workshops and cottage industries of central Persia cotton was commonly used for making *‘abā’s*, as well as textiles like *karbās* and *qadak* for local clothing; uniforms for the troops; and coarse calico, canvas, and rope for other uses (see Issawi, pp. 246-47, 269). This aspect is likely to have been even more significant before the industry began to decline under the pressure of foreign competition in mid-century, but even as late as in 1314/1896 it was estimated that about 30,000 looms were in use in the villages around Isfahan alone, many of them operated by women (Consul J. R. Preece, quoted in Seyf, p. 284). Second, the growing commercialization of cotton production in the 19th century was tied to the rising importance of cotton in Persian foreign trade. By the turn of the 20th century it had become established both as a leading cash crop and the main export crop. There were two forces fueling this process.

The first was the short-lived, though powerful stimulus provided by the American Civil War in the early 1860s. The resulting international “cotton famine” and the sharp rise in prices of raw cotton on the world market boosted production in Persia, as in many other areas in the Middle East, India, and Latin America. Among the many and varied new export-trade routes mentioned in British consular reports of the period are those from southern Persian Gulf ports to India and from Tabrīz to Marseilles (Nowshirvani, pp. 573-74; Gilbar, p. 354; Issawi, p. 245). This development came to an abrupt halt in the mid-1860s, when the famine ended and cotton prices dropped.

A second and more lasting contributory factor was the emergence of Russia as



Persia's major trading partner in the closing decades of the century. Between the 1860s and 1331/1913 general trade with Russia multiplied twelve times, though much of the growth occurred after the 1880s. On the eve of World War I 70 percent of Persian exports, 60 percent of imports, and two-thirds of all trade were accounted for by Russia (Entner, pp. 8-9, 65).

Cotton occupied a very special position in this context. First, it rapidly became the most important export to Russia, tripling in volume after 1306/1888 and reaching nearly 25,000 tons by 1331/1913 (see [Table 19](#)). Second, 94-97 percent of cotton exports were destined for Russian markets, reflecting the almost total dependence of Persia on its northern neighbor (Entner, p. 73). By contrast, the Persian share in total Russian cotton imports was only 8 percent (Maclean, p. 34). Third, and most important, the rise of raw-cotton exports attested the changing nature of the economic relationship between the two countries. Rapid Russian industrial and commercial expansion in this period was accompanied by the opening up of new sources of raw materials for its industrial hinterland. As far as Persia was concerned, this trend was clearly reflected in the concentration of cotton cultivation in border provinces. Although cotton was exported from various parts of the country, including the regions of Isfahan, Yazd, and Kermān, as much as one third of total Persian exports was produced in Khorasan. The average annual value of raw cotton exported to Russia from that province rose from 47,500 pounds sterling in 1306-11/1889-94 to more than 140,000 pounds sterling in 1319-24/1901-06 (Seyf, p. 281); in fact, the prosperity of the province was widely attributed to the growth of the cotton trade at the close of the century (Maclean, p. 5; Gilbar, p. 355).

Russo-Persian trade was facilitated by lower transport costs, owing partly to geographical proximity and partly to the development and improvement of rail and road links between the two countries (e.g., the Transcaspian railway and paved roads between Jolfā and Tabrīz, Anzalī and Tehran, and 'Ešqābād and Qūčān). But Russia, in line with the broader goal of "quiet economic penetration" (Entner, p. 37), also pursued an aggressive trade policy, encouraging exports of raw cotton from Persia in return for subsidized imports of cotton fabrics. Among the measures adopted were loans from the Russian bank to support the activities of Russian and Armenian traders and the assignment of consular officials to northern and central Persian provinces (especially Khorasan but also Isfahan and Kurdistan), where they worked hard to encourage cotton cultivation and improve the quality of the fiber (Entner,



pp. 73-74; Nowshirvani, p. 572; Curzon, *Persian Question* I, p. 269). Most important, perhaps, was the adoption in 1887, of a new set of commercial tariffs, under which cotton entering Russia across European and Black Sea frontiers was taxed 4.15 rubles a pood, whereas Persian cotton was taxed only 40 kopeks a pood. The resulting price differential was sufficient to cover the cost of transport between Kermān and Moscow, perhaps the longest distance over which cotton was exported to Russia (Maclean, p. 34).

In the absence of systematic data it is difficult to ascertain the extent to which expansion of Persian exports to Russia reflected similar trends in domestic output and area under cultivation. A rare estimate put the total output on the eve of World War I at 33,000 tons and the area under cultivation at 110,000 ha (Table 19). Although it would appear from these figures that only one quarter of the total crop was absorbed in domestic consumption, it is not possible to generalize for the period as a whole. In fact, it may be that, as in other parts of the Middle East (e.g., Syria), the decline of cotton handicrafts led to a contraction in overall cultivation of cotton (Issawi, p. 245). Moreover, the upward trend in exports must be viewed against the background of a possible decline of output in some regions (e.g., Fārs and Azarbaijan) and the rerouting of some trade from central and southern towns from India toward Russia (Seyf, pp. 280-01).

Nevertheless, it is clear that cotton played an important role in the gradual process that led to the beginnings of commercialization in Persian agriculture. In this process it competed successfully with other cash crops (notably opium and silk) and subsistence grains, often in response to changing market stimuli (Nowshirvani, pp. 571-79; Gilbar, p. 360).

World War I disrupted cotton production almost completely, pushing output to near negligible levels. It was not until the 1920s that production again reached prewar levels, rising to about 20,000 tons a year (Table 19). The first ginning factory in Persia was also established in those years (1298 Š./1919). In 1302 Š./1923 a new company, Perskhlopok, began to distribute new Egyptian and American seeds to farmers and to build demonstration farms, mostly in the north (Rastar, p. 243).

Production received another boost in the 1930s, thanks to favorable state policies toward the domestic textile industry. Reflecting this new industrial drive, cotton-ginning factories increased to about 100 by 1315 Š./1936; half of them were privately owned (Bharier, p. 1.78). Perskhlopok was abolished in



1312 Š./1933, and the Persian government passed the Cotton-monopoly law (Qānūn-e enḥeṣar-e panba; Gorgānī, p. 185). It took a direct interest in procuring raw cotton for the new factories, undertaking further road and irrigation improvements and initiating new extension services and demonstration farms (chiefly in Māzandarān) to encourage improvements in both the quantity and the quality of the cotton crop. Production peaked at 38,000 tons in the late 1930s. Only 5,600 tons were exported, however, about one-fifth the total in 1913; this low figure reflected the strength of the domestic industrialization drive. After the disruption caused by World War II average annual output fell to about 20,000 tons during most of the 1940s. In the early 1950s, however, prewar production levels were again surpassed, as a new era of unparalleled prosperity for cotton production and manufacture dawned in Persia.

In 1324 Š./1945 the cotton monopoly was abolished. Furthermore, in the ensuing years a number of specialized institutions were set up and entrusted with the task of promoting and improving cotton production. The Persian cotton organization (Sāzmān-e panba, later Sāzmān-e panba wa dānahā-ye rowḡanī) began operations in 1335 Š./1956, introducing for the first time classification standards for the domestic crop. The Plant-improvement station of Varāmīn (Īstgāh-e Varāmīn) was upgraded in 1338 Š./1959 to the Institute for improvement and supply of seeds (Mo'assasa-ye tahīya wa eṣlāḥ-e nehāl wa baḍr) and subsequently provided mainly scientific and extension services. In the same year, the Cotton and silk company (Šerkat-e panba wa abrišam) was formed, under the auspices of the Ministry of industries and mines (Wezārat-e ṣanāye' wa ma'āden), to encourage cotton cultivation by providing farmers with appropriate economic incentives (Rastār, pp. 250-52).

In the 1950s and 1960s Persia ranked in the top ten or fifteen cotton-producing nations. Exports, too, grew steadily, and the more diversified markets included Great Britain, Japan, and West Germany. Domestic consumption of cotton and cottonseed also increased, partly reflecting expansion of the textile industry and partly the establishment of a new industry, for manufacturing cooking oil.

The postwar rise in cotton production was closely linked with new developments on the fertile plains of Gorgān. Beginning in the 1930s, cotton cultivation had been promoted in the region, especially after Reżā Shah had converted much of the arable land into his own private property. Cotton land in the region thus rose from 5,000 ha in 1313 Š./1934 to 17,000 ha in 1316 Š./1937 (Lambton, pp. 256-57; Okazaki, pp. 8-9). The restoration of this property



to the former owners after World War II led to an upsurge in large-scale commercial farming in the region, attracting a wide cross-section of capitalists in search of profitable investment opportunities in agriculture. Initially wheat was grown but after 1338 Š./1959 a massive conversion to cotton occurred; output had more than doubled by 1340 Š./1961 (Okazaki, p. 29).

The Gorgān region remained extremely important. In 1339 Š./1960, when the first agricultural census was undertaken, Māzandarān and Gorgān accounted for 56 percent of all cotton land in the country (313,000 ha) and 65 percent of the total crop (330,000 metric tons). By 1353 Š./1974 these shares had risen to 65 percent and 72 percent respectively (Ministry of the interior, p. 41; Markaz-e āmār, p. 210, 272). Moreover, productivity was also greater; for example, the area planted to cotton in Māzandarān was only 45 percent of that in the next largest producing province (Khorasan), but its output was nearly 50 percent higher in 1339 Š./1960.

Throughout most of the 1970s cotton production in Persia continued to rise. In the first part of the decade in particular, production averaged more than 550,000 tons a year and accounted for more than 300,000 ha of land. In the latter years of the decade, however, it began to reflect broader constraints on Persian agriculture associated with the sudden powerful boom in oil production. Growing disincentives (e.g., lagging prices combined with rising labor costs, shifting of investment from farming to such other sectors as construction and oil) affected cotton no less than other leading crops. By 1357 Š./1978 the area planted to cotton had shrunk by about one third and output by one fourth, compared to the figures in 1352 Š./1973 (Hakimian, pp. 122-23). This trend seems to have been accentuated since 1358 Š./1979, with still more drastic reductions in area and output. Although there was a moderate recovery after 1361 Š./1982, exports appeared to dry up around 1360 Š./1981, and what was once the most important non-oil export from Persia appears to have suffered a major setback in terms of its commercial significance for the country as a whole.



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