

**THE CHANGING ROLE OF MANCHESTER FROM THE FIRST
GLOBALISATION TO THE SECOND*****Dr. Ayca SARIALIOGLU HAYALI, Associate Professor******Dr. Yontem SONMEZ, Senior Lecturer*******Abstract**

Although Manchester was a small and not very populous market town at the beginning of the 18th century, it experienced a large increase in population both in the 19th and 20th centuries thanks to the growth of the cotton industry attracting labour from the countryside. With the urbanisation brought about by the Industrial Revolution, Manchester achieved to become the centre and the first industrialised city of the world in the First Globalisation Era, which was the late 19th century. However, following the Great Depression of the 1930s and with an increase in foreign competition, textile industry was in decline and thus there was an outmigration of labour from Manchester causing a continuous decline in population as well. Therefore, it can be argued that Manchester lost its centred role in the 20th century. In order to improve the economic situation, Manchester's economy started to diversify into some other industries such as engineering, chemicals and electronics as well as services. However, it could not catch the requirements of the new era shaped by the Information and Communication Technologies (ICT) Revolution. Meanwhile, the Silicon Valley of the United States emerged as an important centre in the Second Globalisation Era, which was the 1990s. Although having lost its centred role in the second globalisation era, with the 21st century, Manchester has been re-emerging as an important point in the "Northern Powerhouse" as it has both the necessary infrastructure for Research and Development (R&D) and the innovative potential. The aim of this paper is to study the changing role of the Manchester city as an economic centre in the last three centuries, with an emphasis on the major changes taking place in the First and the Second Globalisation Eras. Since it is underlined that "Manchester's history is more than just the story of a town, it is a contribution to the history of the modern world" (Kidd, 2006), it should be well understood in order to comprehend the present stage that the humankind, industrialisation and the capitalism reached at.

Keywords: International Political Economy, Globalisation, International Economics, Economic History, Manchester

BİRİNCİ KÜRESELLEŞMEDEN İKİNCİYE MANCHESTER'IN DEĞİŞEN ROLÜ**Öz**

Manchester, 18. yüzyılın başında küçük ve çok kalabalık olmayan bir pazar kasabası olmasına rağmen, kırsal kesimden emek çeken pamuk endüstrisinin büyümesi sayesinde hem 19. hem de 20. yüzyıllarda büyük bir nüfus artışı yaşamıştır. Sanayi Devrimi'nin beraberinde getirdiği kentleşme ile birlikte Manchester, 19. yüzyılın sonlarına denk gelen Birinci Küreselleşme Döneminde dünyanın merkezi ve ilk sanayileşmiş şehri olmayı başarmıştır. Ancak 1930'lardaki Büyük Buhran'ın ardından ve dış rekabetin artmasıyla birlikte tekstil endüstrisi gerilemeye başlamış ve bu nedenle Manchester'dan bir işgücü göçü meydana gelmiş ve bu da nüfusta sürekli bir düşüşe neden olmuştur. Bu nedenle, Manchester'ın 20. yüzyılda merkezi rolünü kaybettiği söylenebilir. Ekonomik durumu iyileştirmek için Manchester ekonomisi, mühendislik, kimya ve elektronik ile hizmetler gibi diğer bazı sektörlere doğru çeşitlenmeye başlamıştır. Ancak, Bilgi ve İletişim Teknolojileri (BİT) Devrimi'nin şekillendirdiği yeni dönemin gereklerini yakalayamamıştır. Bu arada, Amerika Birleşik

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** Corresponding Author, Karadeniz Technical University, Turkey, Department of Economics, ORCID No: 0000-0002-6613-7531, aycasarialiogluhayali@ktu.edu.tr.

*** Manchester Metropolitan University, the UK, Department of Accounting, Finance and Economics, ORCID No: 0000-0002-3262-222, y.sonmez@mmu.ac.uk.

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Devletleri'nin Silikon Vadisi, 1990'lar olan İkinci Küreselleşme Döneminde önemli bir merkez olarak ortaya çıkmıştır. Manchester, ikinci küreselleşme döneminde merkezi rolünü kaybetmiş olsa da 21. yüzyıla birlikte, hem Araştırma ve Geliştirme (Ar-Ge) için gerekli altyapıya hem de yenilikçi potansiyele sahip olması nedeniyle “Kuzey Santrali”nde önemli bir nokta olarak yeniden ortaya çıkmaktadır. Bu makalenin amacı, son üç yüzyılda bir ekonomik merkez olarak Manchester şehrinin değişen rolünü Birinci ve İkinci Küreselleşme Dönemlerinde meydana gelen büyük değişimlere vurgu yaparak incelemektir. “Manchester'ın tarihinin sadece bir kasaba hikâyesinden daha fazlası olduğu, modern dünya tarihine bir katkı olduğu” (Kidd, 2006) vurgulandığından, insanlık, sanayileşme ve kapitalizmin ulaştığı günümüz aşamasını kavrayabilmek için iyi anlaşılması gerekir.

Anahtar Kelimeler: Uluslararası Politik İktisat, Küreselleşme, Uluslararası Ekonomi, Ekonomi Tarihi, Manchester

1. Introduction

From the 5th century to the 15th, Manchester was not an important town; it was one of the many impoverished small market towns in the North West of England, which was part of the extensive Salford Hundred so was subordinated to Salford. The turning point in the economic development history of Manchester, which has initiated the transformation of Manchester into the “new regional capital of south-east Lancashire”, was the rise of the Lancashire cotton industry (Kidd, 2006: 5). Towards the end of the 17th century, Manchester, a centre of fustians and linen, together with the other newly-expanding middle-ranking towns such as Birmingham (already a centre of metal manufacturing), Nottingham and Leicester (hosiery) and Leeds (woollen textiles) started experiencing an economic transformation, which would raise it to the commercial preeminence and make it arguably the first modern city, at the same time making this group of towns/cities “the future industrial giants of the 19th century” (Kidd, 2006: 1-6). Hence, it can be said that although it was a small and not very populous (around 10,000) market town at the beginning of the 18th century, it experienced a large increase in population both in the 19th and 20th centuries (700,000) due to the growth of the cotton industry attracting labour from the countryside. As a result of that boom in textile manufacturing during the Industrial Revolution, Manchester became the second biggest city of Britain (and the third largest of the United Kingdom-UK- after London and Glasgow). Therefore, it is underlined that “Manchester’s history is more than just the story of a town, it is a contribution to the history of the modern world” (Kidd, 2006: 1). In this respect, the reasons of the leadership of Manchester in Industrial Revolution are listed by Brown (2004) as the development of steam-powered spinning machinery, of which energy power such as coal could be sustained nearby, and the emergence of North America as a source of raw cotton, which could be easily imported from there, the availability of the rivers and a network of canals, which were used for transportation and communication and the mechanisation of production, such as spinning and weaving could be achieved more cheaply within factories.

According to Hodos (2011: 1552) “second cities offer historical alternatives to global cities in pathways to globalisation”. With the urbanisation brought about by the Industrial Revolution, Manchester became the centre and the first industrialised city of the world in the First Globalisation Era, which was the late 19th century (Kidd, 2006: 28). However, following the Great Depression of the 1930s and with an increase in foreign competition, textile industry was in decline and thus there was an outmigration of labour from Manchester causing a continuous decline in population as well. Therefore, it can be argued that Manchester lost its centred role in the 20th century. In order to improve the economic situation, Manchester’s economy started to diversify into some other industries such as engineering, chemicals and electronics as well as services. However, it could not catch the requirements of the new era shaped by the Information and Communication Technologies (ICT) Revolution. Meanwhile, the Silicon Valley of the United States (US) emerged as an important centre in the second globalisation era, which was the 1990s.

Although having lost her centred role in the second globalisation era, with the 21st century, Manchester is re-emerging as an important point in the “Northern Powerhouse” as it has both the necessary infrastructure for Research and Development (R&D) and the innovative potential. The aim of this paper is to study the changing role of the Manchester city as an economic centre in the last three centuries, with an emphasis on the major changes taking place in the first globalization era of the late 19th century following the UK based Industrial Revolution and the second globalisation era following the ICT revolution, in the late 20th century. In order to achieve this aim, the paper is organised as follows; following the introduction part, globalisation eras will be provided as a background, and then in order to explain the magnitude and the reasons for the changing pattern of the “Mancunian” economy and its role as a national, international and global centre as well as a part of the “Northern Powerhouse”, Manchester will be handled through last three centuries mainly focusing on the different Globalisation eras and try to have a qualitative and quantitative comparison of the last three centuries.

2. Globalisation Eras

Since the mid-19th century, there have been at least two episodes of globalisation (Baldwin and Martin, 1999) such as 19th Century Globalisation as First and 20th Globalisation as Second. It can be said that accelerated integration was observed in the mid-19th century and in the second half of the 20th century. So, it has often been marked by periods of accelerated integration (as observed in the 19th century and in the second half of the 20th century) and by periods of dramatic reversals (as in the inter-war period), sometimes with costly consequences. In this regard, First Globalisation is accepted as relatively shallow integration between independent countries/firms, as only reducing

or eliminating the trade barriers in commodities and international movement of portfolio capital and relatively simple direct investment. On the other hand, Second Globalisation occurs as a deep integration within a global network including mutual harmonisation of national rules and regulations organised primarily within and between geographically extensive and complex global production networks.

Although the notion of a globalised economic world has become widely accepted, the “newness” of the globalisation was debated since it has been argued that the world economy was actually more open and more integrated in the half century prior to the First World War (1870-1914) than it is today (Hirst and Thomson, 1996). It is maintained that it has only recently become as open and integrated as the regime that prevailed from 1870 to 1914, i.e. at the height of the gold standard in the late 19th century (Hirst et al., 2009). With the help of trade, investment and migration statistics, Hirst and Thompson (1996) argue that “the world economy was actually more open and more integrated in the half century prior to the First World War (1870-1913) than it is today” (Hirst and Thompson, 1996). On the other hand, it is argued that trade and financial integration in the 1990s based on the emerging of the Multinational Companies (MNCs) and the increase in the short run international financial flows including a wider range of assets and a greater range of economic activities have gone further than ever before (Perraton, 2001: 675-681). However, it is agreed on that international population migration has not returned to those earlier levels, at least in terms of the proportion of the world population involved in cross-border movement (Hirst and Thomson, 1996) since the restrictions on immigration were not as common during the 19th century. In US, immigration was responsible for 24% of the expansion of the labour force during the 40 years before the World War I (WWI). Consequently, labour’s international mobility was more comparable to that of capital. In this regard, the asymmetry between mobile capital (physical and human*) and immobile natural labour is tackled as a relatively recent practical phenomenon of 1990s’ globalisation, although in theory globalisation is defined as the free movement of goods and services, capital and finally labour (Rodrik, 1997).

3. Manchester through Different Globalisation Eras

3.1. Manchester before the 18th Century

Obtaining the right to an annual fair in 1223 (held every September after the harvest), being granted a charter in 1301 and the customary weekly Saturday market all contributed to Manchester’s trading

* Human capital, here, refers to the well-educated human resource. Rodrik (1997) implicitly evaluates well-educated human resource as a capital element not a labour resource by using the term “mobile capital (physical and human)”.

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function before the Industrial Revolution (Abell, 1978; Kidd, 2006). The 16th century Manchester was described as the “cheiffest town in Lancashire, next to Lancaster”, suggesting a centre of trade and industry with its market and fair (Willan, 1980). The increase in trade was reflected by the growth in markets and fairs and as a result also brought some improvement in transport activities such as bridges (Abell, 1978). During the Elizabethan Era, that is about two centuries before the Industrial Revolution, and thus before “the mechanisation of cotton production”, Manchester was already a manufacturing and market centre for woollens and linen, importing raw materials such as Irish linen yarn from Ireland (first recorded in 1543) and selling goods throughout the provinces as well as the London markets (Kidd, 2006: 5; Abell, 1978). Therefore, although in the industrial history, Manchester is known as “Cottonopolis”, i.e. a cotton town, Manchester’s cotton trade has its roots in the earlier textile industry. Winterbotham (1998) argues that raw fustian cloth having “a linen wrap and a cotton weft” was produced from raw cotton, i.e. cotton wool, towards the end of the 16th century in Manchester so both the linen and wool industries already had a significant impact there (Winterbotham, 1998: 22).

Industry played an important role in Elizabethan Manchester’s economy in addition to trade and to a lower extent agriculture. Although, it is difficult to determine the role of each sector, the sources reveal that much of the farming was done as a side-line and it was rare to see someone whose sole occupation was farming apart from the more rural parts of the parish. As a result, farming stock did not account for a large proportion of personal estates. In addition, arable farming was less important than animal husbandry and the main emphasis was on diary farming, concentrating in an urban area where the demand came either from the producer’s own household or from the market during Elizabethan Manchester (Willan, 1980). Although Manchester was not a leather town such as Leicester or Chester, there were people making leather and even exporting leather gloves, i.e. “Manchester gloves” through Liverpool to Dublin. In a similar way, although there were blacksmiths in Manchester, it was not a metal-working town. Since linen and cotton waste were used as raw materials in paper production together with water, another industry, which was established from 1670 to 1730, was the paper industry. The output was used as wrapping paper for the textiles.

The making and marketing of cloth were the key sectors contributing to the economy in this remote Lancashire commercial and manufacturing town (Kidd, 2006: 22-24). “Manchester’s role as a regional centre was combined with her role as a cloth town which involved her in the long distance trade in cloth. It was this combination that largely accounted for the wealth of the place” (Willan, 1980: 79). Relatively cheaper woollen cloths brought opposition to those infant industries in Lancashire and West Riding from the established producers in East Anglia. The scale of international

trade during this century was small and was subject to the growth of merchantilism. English merchants in London formed a cartel and they gradually gained the control of cloth exports to the chief European market, which was Antwerp as well as the Baltic, Spain and the Levant (Eastern Mediterreanean). France and Portugal also became the destination for exports by Elizabethan times (Abell, 1978). In spite of the London cartel, the woollen industry continued to grow in Lancasire and the West Riding. This has brought with it economic transformation as cottagers who were dependent on agriculture only, gradually became interested in spinning and weaving.

Manchester has been a cloth town; a manufacturing and market centre for wollens and linen since from around the mid 16th century, even before the Industrial Revolution. As the volume of trade increased with an increase in raw material imports such as linen yarn from Ireland and the exports to other provinces and the London market, so did the wealth of the merchanst as well as the number of the migrant workers. As its regional preeminence was gradually established, its population has risen from an estimated 2,300 in 1543 to around 43,000 in 1773 (Kidd, 2006: 5).

In the 17th century, Manchester continued to play a central role in the woollen and linen industries in the Lancashire region (notable for its smallware manufacture and silk weaving). The production of fustian cloth, which was a mixture of linen and cotton, has introduced cotton to the manufacturing sector. The trade in cotton products became even more significant and had started to rise at the beginning of the 17th century around 1600 with the introduction of new manufactures. Following such developments, the share of population employed in manufacturing started to exceed the share of population employed in agriculture as early as 1650 (Kidd, 2006: 5-7). By the end of the 17th century, it was not only Manchester which was a middle-ranking town specialising in a product (fustians and linen), to be the future industrial giant in it, in addition, Birmingham was specialised in metal-manufacturing, Nottingham and Leicester were specialised in hosiery and Leeds was specialised in woollen textiles (Kidd, 2006: 6).

3.2. Manchester in the First Globalisation Era

3.2.1. Manchester in the 18th Century

After remaining as an underdeveloped town for many centuries, Manchester became a main centre of activity in the 18th century. The cotton trade was generating enough revenue to cover the total cost, including the cost of transportation in spite of the rather primitive ways of transportation. Although at the beginning of the century, cart or packhorse was still the basic way of transport, the development of canals, which was associated with the coal industry, and the improvement of river navigation and roads helped the cotton trade to thrive. Pressure for such improvements was the result of higher living

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standards reflected by a larger population, high agricultural product prices and the increase in industrialisation and urbanisation (Abell, 1978). The coal industry also had a positive impact on the expansion of the cotton industry. Although it was very localised due to lack of suitable transport, it was used to warm the houses of cotton workers and to operate factories which were emerging as a result of mechanical developments and capital-intensive ventures (funded by the profits made in the slave trade by Liverpool merchants). It also had an important role in “stimulating the development of a practical steam engine” as water had to be pumped to drain deep mines including coal mine (Abell, 1978: 31). Although it was the silk industry which started to expand because of capital investments in machinery and plants outside the country, it was too expensive and bulky to be organised domestically as it involved the use of complicated machinery. Therefore, cotton gradually displaced the silk industry, although it was very fashionable and competitive, as it had to compete with the imports from the Far East and from Italy and France (Abell, 1978).

Due to the increase in competition caused by Indian cotton and muslin imports, the imports of printed calicoes were banned by the Acts of 1700 and 1721. East Anglian wool merchants attempted to extend this to cover the imports from Lancashire as well, which had a negative impact on the Lancashire textile industry. However, there were increasing levels of smuggling and evasion of such prohibitions in the 18th century, smoothing out such effects. Around the same time, due to the outbreak of plague in France, French textile industry lost its competitiveness. In addition, wars in India reduced the level of competition from 1750. Another important development helping the expansion of the sector was the increase in demand from Europe in 1760s, which helped to offset the reduction in demand in America caused by the end of smuggling following the end of the Seven Years War in 1763 and the disruption in cotton supplies caused by the American War of Independence in 1779. Furthermore, natural conditions in Manchester also helped the industry. It was damp so the humidity helped in handling cotton thread and water resources helped in increasing waterpower for the industry. Finally, successive inventions in weaving and spinning machinery increased the efficiency of the industry giving the region an advantage in comparison to the major competitors.

Cotton trade continued to flourish from 1700 to 1780 (as seen in Table 1, reflected by cotton imports), by increasing the amount of annual raw cotton consumption from 1.2 million pounds to over 5.2 million (as seen in Table 2).

Table 1: Cotton Imports from Levant, West Indies, Europe and Africa

Years	Cotton Imports from Levant, West Indies, Europe and Africa (lb)
1700	1,395,751
1720	1,968,305
1740	1,545,673
1760	2,358,923
1770	3,612,416
1775	6,693,734
1780	6,877,369

Source: Wadsworth and Mann, 1931.

As seen in Table 2, this has continued to increase steadily and slowly from 1698-1710 until 1741-1750 with the exception of relatively limited increase in 1721-1730 in comparison to the previous decade. From 1741-1750 until the end of 1770s the rate of increase accelerated, reaching around 39% in the last decade in question.

Table 2: Average Annual Consumption of Cotton in Great Britain

Years	Cotton Wool (lb.)	Cotton Yarn (lb.)	Cotton Total (lb.)	% Change
1698-1710	1,095,084	95,291	1,190,375	
1711-1720	1,476,107	77,538	1,553,645	30.5
1721-1730	1,505,273	88,181	1,593,454	2.6
1731-1740	1,717,787	97,807	1,815,594	13.9
1741-1750	2,137,294	46,316	2,183,610	20.3
1751-1760	2,759,916	64,139	2,824,055	29.3
1761-1770	3,681,904	75,887	3,757,791	33.1
1771-1780	5,127,689	76,849	5,204,538	38.5

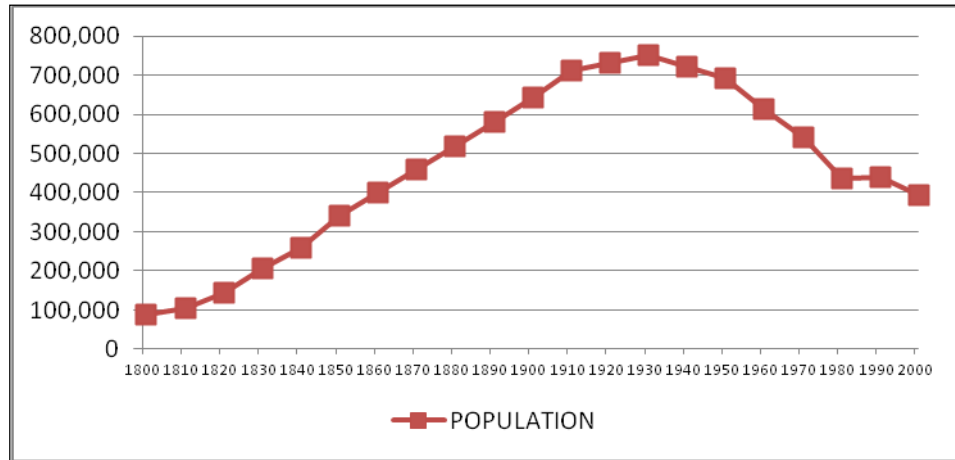
Source: Wadsworth and Mann, 1931.

The expansion of the cotton industry totally transformed the sector in Manchester from a sector of “small cotton manufacturers” scattered over the country into a sector of “capitalist employers of all sizes of business and a growing number of dependent workpeople” (Wadsworth and Mann, 1965: 170-211). However, towards the end of the 18th century, the predominant trade was still the traditional woollen trade with Europe. For example, woollens made up 42% of English exports by value in comparison to linen’s 7.3% and cotton’s 2.3% (Abell, 1978: 30).

3.2.2. Manchester in the 19th Century: 1801-1900

Manchester was the centre of the world history during the Industrial Revolution and played an important role in the creation of the modern world that we are part of today (Kidd and Wyke, 2016). Often referred to as “the first industrial city” or “Cottonopolis”, Manchester, following a revolution in the organisation and technology of the cotton industry, experienced rapid urbanisation with more and more people living and working in towns and cities. The increase in wealth caused an increase in population growth as well as mobility, by attracting migrant workers (Kidd, 2006: 13-29). It is underlined that migrants from Ireland, England even Italy were attracted by the industrial revolution that created new jobs and employment in Manchester, leading to rapid increase of its population (Taylor and Holder, 2008: 19). Although London was still the largest city, Manchester experienced an unprecedented growth in population from 1801 to 1841, as seen in Figure 1, when it had a threefold increase in its population. In 1543, the estimated population in Manchester was only 2300, increasing to 43,000 in 1773 and to 88,577 at the first census in 1801 and continuing to increase until 1930 (Vision of Britain, 2014).

Figure 1: Manchester Population Growth, 1801-2000



Source: Vision of Britain, 2014.

A series of local, national and global factors have contributed to the new identity of Manchester during the city's industrialisation and urbanisation in the 18th and 19th centuries. In addition to emerging as the centre of the world's trade in cotton goods, inventions in Manchester helped it to emerge as the centre of machine-powered industry with the “transformational machine-powered technologies of manufacture, transportation and communication” (Kidd and Wyke, 2016: 2-4). The hand-tool technologies used in spinning were replaced by machines firstly powered by water and then steam. This revolutionary change increased both the quantity and the quality of yarn produced in Manchester. As a result, by the 1802, spinning, which used to be a home-based occupation, became a factory-based occupation. With the introduction of cotton factories, the way how manufacturers and

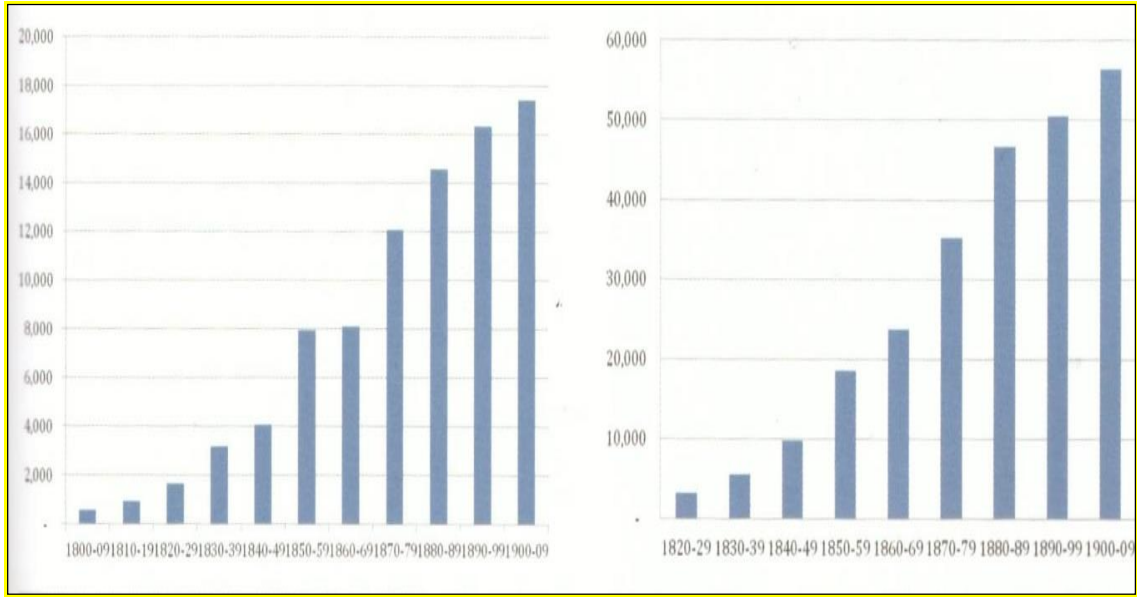
merchants manufacture, finish and market textiles has also changed. The new way of organising production gave Manchester a competitive advantage, increasing efficiency in the sector (Wyke, 2016).

The invention of steam engine* was another important factor in the expansion of cotton industry in Manchester, which made the mechanisation of cotton spinning possible. Canal transport was as important as steam engine and coal in the transformation of Manchester into the centre of urban industrial revolution. As the level of fuel used by steam engines in cotton mills was high, these mills were located by canal transport. Canals were the major network of transporting raw materials, fuel and any other bulky items. Transportation of coal to the cotton mills was an important source of income for the canals (Abell, 1978). During the industrial revolution, Manchester was a transport hub, an inland port in Castlefield was created with canals which was cutting through the town centre and the world's first railway station, leading railway lines between Liverpool and Manchester, linking an important manufacturing and commercial centre with its chief port (Abell, 1978; Kidd and Wyke, 2016). (From 1810 to 1824 the 110 million pounds of cotton shipped up to Manchester had increased to over 160 million while the 200 vessels in the Li-Man trade had increased to 250). In other words, since a large transport and distribution infrastructure were needed by Manchester's new working class attracted by the new factories, such well-designed transportation including canal system, railways and Manchester port was succeeded. Taylor and Holder (2008) maintain that the stuff, such as the food, fuel and general merchandise required by working population was sustained by the canal boats (Taylor and Holder, 2008: 19). In this regard, before directly exporting the Manchester products to abroad from Manchester port, which was built in 1894, Liverpool Port was used through connecting such port by the Manchester railway.

By the early 19th century, as seen in Figure 2, Mancunian merchants already had well established trading networks to import raw cotton and to export Manchester cotton "in ten thousand forms and colours" to "over all Europe and even into the distant continents". In addition, they already had an expertise in organising production, which gave Manchester a competitive advantage against other cities (Wyke, 2016: 71). In this regard, Figure 2 indicates the upward trend in both raw cotton imports and exports of cotton piece goods. By 1810, the cotton exports exceeded the woollen exports by value and continue to increase sharply in spite of the market disruptions and increases in tax prices caused by the long wars that Britain was fighting.

* Converting heat/ thermal energy into controllable kinetic energy.

Figure 2: Left: Imports: Raw Cotton Consumption in Great Britain (million lb) & Right: Exports of Cotton Piece Goods (million yards)



Source: Wyke, 2016.

There was an increasing demand for cotton from “every section of an increasing population” due to as in comparison to woollen products, it was more comfortable to wear cotton, which could be dried and printed easily. Moreover, not only the population was increasing, but also the incomes of the consumers, which once again had a positive impact on cotton demand, were increasing (Wyke, 2016: 71). Furthermore, it was not only the domestic demand which was rising, but also the international demand for Manchester cotton from Europe and the United States was increasing. As a consequence of such increase in demand for cotton and the availability of the innovative machinery, the potential to make further profits in the sector has attracted both the existing manufacturers, merchants and new entrepreneurs, expanding the industry further (Wyke, 2016: 71-72).

Innovations were encouraged with the continuous increase in demand for cotton and as a result of new inventions and improvements, every stage of production could then take place in factories. Because there were quite a large number of small factories in the industry, it was quite competitive. Therefore, technical change played a key role in that industry, having a positive impact on productivity and thus consumer’s purchasing power as it helped to lower prices. The new urban environment in Manchester was made up of multi-storey steam powered cotton mills, built in groups, thus sharing the same infrastructure of canals and roads also having access to the same workforce. It is underlined that in Manchester there were more than fifty cotton-spinning mills and more were under construction by 1802 (Wyke, 2016: 72). The largest mills were employing hundreds of people

although the typical cotton masters employed only a small number of workers. Table 3 indicates the major employers in textiles in Manchester in 1815 and the number of their employees.

Table 3: The Major Employers in Textiles in Manchester, 1815

Employer	Number of Employees
Murray, Ancoats	1215
McConnel & Kennedy, Ancoats	1020
Philips&Lee, Salford	937
Houldsworth, Manchester	622
Birley & Hornby, Chorlton	549
Total	4343

Source: Wyke, 2016.

Although, there was geographical diversity due to the water-powered production of textiles, agglomeration effects were apparent in this new urban environment, as there was a concentration of production in towns due to the factors mentioned before. Moreover, because of the increase in population, the size of the towns and cities grew also causing a change in their character, such as residential suburbs around an urban core with separate industrial and commercial zones emerged. As a result, “the invention of the rotary steam engine transformed the topography of Manchester and created the first industrial city” (Kidd and Wyke, 2016: 3).

The 19th century Manchester was not only a powerhouse, which was a symbol of industrialisation, urbanisation, transformation and modernity, but it was also the home of new political and economic ideas that the industrial revolution initiated. It was “the home of the capitalist ideology of free trade and the place where Marx and Engels plotted the world communist revolution” (Kidd and Wyke, 2016: 5). It can be said that a new “economic superstructure” was sustained to Manchester by virtue of such “economic infrastructure”, capitalism of “laissez faire”, in both intellectual and political arenas. Hence, in the golden age of Manchester “innovations” were common such as “new industrial processes, new ways of thinking (the so called “Manchester School”, promoting free trade and laissez-faire), new classes or groups in society, new religious sections, and new forms of labour organisations” influencing all the world (Web1). In this regard, such economic superstructure created its new economic classes, “urban rich class and poor working class of factories” within a new class struggle, which was handled by Marx and Engels, the fathers of the scientific socialism, after their real observations in Manchester. Hetherington (2007) puts such golden age of Manchester with its “early wild capitalism background” that led to working class struggles having reflections on all over the world as “...But this was also the city of poverty and migrant the labour, notably Irish labour Engels’ city of working class poverty and struggle (1969)” (Hetherington, 2007: 632).

Manchester was the undisputed centre of the cotton industry at the beginning of the 19th century. In 1815, there were an estimated 90 cotton firms operating in Manchester. Due to its importance in the industry, Manchester has been used as a proxy for the Lancashire industry (Lloyd-Jones and Le Roux, 1980). From 1815 to 1841, is seen in Table 4:

Table 4: The Structural Changes in Firms and Workforce Employed, 1815 and 1841

Employee Size Class	Number of			
	Firms		Employees	
	1815	1841	1815	1841
1 - 50	43	23	908	648
51 - 100	19	14	1336	1165
101 - 150	9	17	1022	2176
151 - 200	3	17	554	2965
201 - 250	5	11	1222	2446
251 - 300	2	7	575	1956
301 - 350	0	11	0	3526
351 - 400	2	4	780	1469
401 - 450	0	5	0	2113
451 - 500	0	7	0	3331
501 - 600	3	3	1647	1511
601 - 700	2	1	1232	645
701 - 800	0	3	0	2252
801 - 900	0	0	0	0
901 - 1000	0	1	0	1000
1001 - 1100	2	1	2195	1018
1101 - 1200	0	2	0	2379
1201 - 1300	0	0	0	0
1301 - 1400	0	1	0	1303
	90	128	11,471	31,903

Source: Lloyd-Jones and Le Roux, 1980.

In 1870, accounting for about 40% of world trade in manufactures Britain was still by far the largest exporter of industrial goods, but competition was beginning to cause concern: A second Industrial Revolution was under way and in some new fields (electricity, the internal combustion engine and organic chemistry). In this regard, the newcomers, such as US and Germany, not Britain, were taking the lead. Difficulties arose since operatives left China, Japan, North Korea, South Korea, Malaysia, Mongolia, Taiwan, the Philippines and Indonesia (In addition to Japan, many countries of Far East).*

* The Far East also describes Southeast Asia, which includes some countries as Laos, Cambodia, Singapore and Vietnam.

3.3. Manchester in the Second Globalisation Era

3.3.1. Manchester in the 20th Century

In 1913, Manchester was still the place where the 65% of the total world cotton manufacturing was produced although there was a decreasing trend in its cotton manufacturing. By having damaged such main industry of Manchester WWI changed everything. Following WWI, the downturn of Manchester was continued by the Great Depression. By air bombings of Germany during the Second World War (WWII) the real damages were made to Manchester, which lost its title of the “cottonopolis” as “the international trade and manufacturing centre of cotton” after such war. In the Post War period, in 1968, the cotton exchange was closed. The existing Manchester port, which was also closed in 1982, could not fulfil the new needs of new style huge cargo carriers and big container transportation. Furthermore, led by Thatcher government the economic policies of the 1980s that put an end to the “heavy industry policy”^{*} in Manchester declared the collapse of the Golden Age of Manchester, which, indeed, had been ended much more before. So, it can be said that when the global cotton industry shifted across the Atlantic due to the American dominance of technology that created the advanced factories and then eastwards back to the Asian producers, the cotton industry declined during the first half of the 20th century, and totally collapsed after the WWII (Kidd and Wyke, 2016). In this regard, the major geopolitical division of the world in the Cold War^{*} period between the capitalist West (the US and its allies) and the communist East (the Soviet Union & its allies) contributed it.

When industrialisation spread to other countries, Manchester’s central role in the world’s cotton industry was challenged. The Royal Exchange which was the symbol of Cottonopolis was closed in 1960s and Manchester became one of the first cities experiencing the problems of losing its dominant industry (Wyke, 2016). The collapse of the golden age of Manchester by the results of the urban decline and de-industrialisation process following the decline of the traditional manufacturing industries of the region is put by Hetherington (2007: 632), by also underlying its socioeconomic reflections such as high unemployment and welfare diminish, which have been illustrated by some cinema and music samples such as the northern realist cinema, the popular television soap of working class life, called Coronation street, and the popular music of Manchester bands, such as Joy Division and The Smiths in the 1970s/80s.

^{*} It is noted that near 150000 workers in manufacturing industry in Manchester lost their jobs between 1961 and 1983.

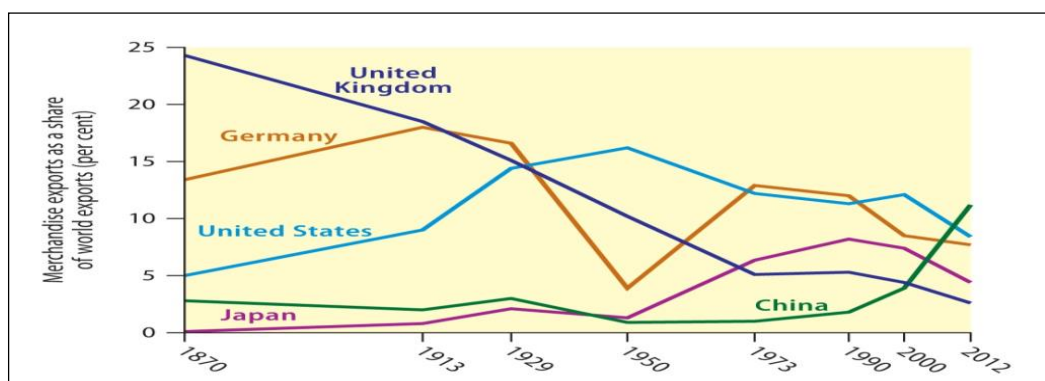
^{*} The capitalist West dominated by the US, who had emerged from the WWII strengthened, rather than weakened, had both the economic and technological capacity, and the political power to lead the way in building a new order (by 1950 it accounted for 27% of global GDP). The communist East- the Soviet bloc drew clear boundaries around itself and its Eastern European satellites and created its own economic system quite separate from the capitalist market economies of the West until 1989, such as CMEA.

In this regard, the rapid industrialisation of Japan in 1930s established her as a low-cost rival of Manchester for export markets. The trade depression of inter-war years as well as the shortage of shipping (a problem for an export-dominated industry that imported all of its raw materials) made Manchester's former customers such as India developed their own industries to supply their own markets due to the disruption caused by the war. Many countries of Far East developed export trades based on low-cost production. Moreover, operatives left the mills to enlist and in the Post-war years, massive investment was required in health, education and housing. In this regard, cotton was not included in the governments' nationalisation programme and the industry was all but side-lined by the following Conservative governments. In this respect, Margaret Thatcher pulled the plug on the industries of North West in the 1980s. Having being the symbol of industrialisation, Manchester was one of the first cities to face the problems posed by the loss of its dominant industry. It can be said that Manchester lost its dominant position in the Second Globalisation Era because of the facts that it could not catch the requirements of the new era shaped by the ICT Revolution in the 1990s. Meanwhile, the Silicon Valley of the US emerged as an important centre in the Second Globalisation Era.

3.3.2. Manchester in the 21st Century

The *re*-emergence of Asia as the world's most dynamic economic region, which was dominant in 1700 having 62% of global GDP compared to the West having only the 23% of the GDP*, challenged the West including Manchester. In this regard, as seen in Figure 3, the most recent and the biggest development within East Asia was, of course, the (re) emergence of China, which has become a hugely significant presence in the world economy thanks to several facts such as its huge, cheap workforce, not unqualified but also qualified, its worldwide Foreign Direct Investments and mostly "wise globalism*" practices.

Figure 3: The Rise of China as A World "Mega-Trader"



Source: Dicken, 2015.

* By 1950, the position almost exactly reversed as the West almost had the 60% of the world GDP and Asia (including Japan) had the 19% of the world GDP. Much of this was due to the relative economic decline of China and India. In 1700 combined GDP share was 50% then by 1950 less than 10%.

* Please see Rodrik (2011) for the Chinese success story on the globalisation.

A proposal to boost economic growth in the North of England, particularly, in the “Core Cities”, such as Manchester, Liverpool, Leeds, Sheffield and Newcastle, by the 2010-15 coalition government and 2015-20 Conservative government in the UK aimed to reposition the UK economy away from London and the South East. Under the new government of May, it was alleged that the focus on the North was to be downgraded into a nationwide agenda for boosting productivity outside the south-east. However, this was subsequently criticised by her who pledged to "help the great cities and towns of the North pool their strengths and take on the world" (Goldsmith, 2019). In this regard, it can be said that among these Northern cities Manchester tries to return its “golden age” of the 19th Century in the 21st century. Although the old manufacturing industries have declined, service industries seem to have thrived in place of them and also the discovery of the new material, *Graphene*, in Manchester, can contribute to Manchester’s affords to return back to its golden age. In this regard, it is noted that “According to the University of Manchester, which was the site of graphene’s discovery, ‘combining all of graphene’s amazing properties could create an impact of the scale last seen with the Industrial Revolution’” (Goldsmith, 2019).

4. Conclusion

As Kidd and Wyke (2016) put “Manchester’s history is a history of ‘enterprise and innovation; of industry, science, technology and education, of music, performance and sport; of political ferment and popular protest; of urban growth and migration; of poverty and wealth; of slum and suburb’”. So, it should be well understood in order to cover the present stage that the humankind, industrialisation and the capitalism reached at.

At the beginning of the 18th century it was a small and not very populous market town, however, achieved to boom in textile manufacturing during the Industrial Revolution, having become “the centre of the centre”, i.e. the first industrialised city of the world in the First Globalisation Era. Then, Manchester lost its centred role in the Second Globalisation Era, i.e. late 20th century, no significance in the ICT Revolution. Moreover, the 21st century saw the re-emergence of China as a superpower and emergence of the BRICs. Although having lost her centred role in the Second Globalisation Era, with the 21st century, Manchester has been re-emerging as an important point in the “Northern Powerhouse” as it has both the necessary infrastructure for R&D and the innovative potential. It seems it wants to return back its “golden age” of the 19th Century in the 21st century.

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Destek ve teşekkür: Çalışmada herhangi bir kurum ya da kuruluştan destek alınmamıştır.

Makale katkı oranı: Katkı oranı %50, %50'dir.