SHIPPING COMPANIES AND
TRANSATLANTIC MIGRATION COSTS:
THE CASE OF CUNARD, 1880–1914

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Shipping Companies and Transatlantic Migration Costs: The Case of Cunard, 1880-1914

by Drew Keeling

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ABSTRACT

Cunard’s voyage accounting records show that a small positive, not a large inverse, relationship between fares and migration flows across the North Atlantic applied secularly, seasonally and cyclically between 1880 and 1914. Rather than lower ticket prices stimulating more migration, migration and prices both dipped during slumps in the U.S. job market. This finding corroborates other indications that travel costs were not the most important factor shaping migration levels, at least in this period.
Shipping Companies and Transatlantic Migration Costs: “The Case of Cunard, 1880-1914”

1. INTRODUCTION

Despite its many facets, modern long-distance mass migration has been a predominately economic phenomenon. In the early twenty-first century, the lure of better-paying jobs is drawing Mexicans, Central Americans and Africans northwards, Eastern Europeans westward, and Asians coastward. Across the many decades of mostly peaceful globalization that ended in 1914, the lack of significant legal impediments to migration meant that economic forces were even more paramount within the then greatest economic arena, the North Atlantic basin.¹

Clearly, there were economic costs to migrating between Europe and North America in the nineteenth and early twentieth century, including but not limited to the expense of physically moving from one hemisphere to another. It is thus logical to assume that migration costs were one factor in determining who did, and who did not, participate in the massive, polyethnic voluntary relocation of Europeans to the New World a century and more ago.

A considerably stronger assumption is, however, implicit in much of the historical thinking about this “Great Migration” across the North Atlantic, namely, that costs were the main factor in determining who could and did join it.² This stronger assumption persists, despite a lack of solid evidence, for at least two understandable reasons.

Firstly, historians have had difficulty pinning down the precise mixture of reasons for this migration. The “pushes and pulls” traditionally listed as explanations for migration overdetermine the actual volumes of movement in this era. Tens of millions left Europe in the several decades of fluctuating mass exodus prior to the First World War, but hundreds of millions did not.³ The general historical literature on migration points to many causes underlying migrant self selection other than travel cost constraints but not with sufficient clarity to rule out some sort of possibly major role for such cost barriers.⁴

¹ Gould, “Diffusion,” pp. 267-68
² See, for instance, Graham, p. xii, and Greenleaf, p. 128.
⁴ See for example, Magnusson and Siqveland, pp. 36, 42, 45, 50-51, Gould, “Patterns,” pp. 610-15, Faini and Venturini, pp. 79-80, 86, 89.
A second limitation has been the relative inattention, by both migration and transportation historians, to the overlap between their specialities, e.g. to the history of how migrants were transported, generally, and more particularly to the role of travel costs in shaping migration flows.\(^5\) In these relatively uncharted interdisciplinary waters, another implicit assumption has sailed freely, driven by gusts of plausibility more than steady winds of evidence: that transatlantic shipping companies competed by lowering fares, thus helping millions to migrate who otherwise might not have been able to afford it.\(^6\)

Britain’s Cunard Line was the longest-lived transporter of transatlantic migrants during the pre-1914 open-borders era. The company’s archives offer an opportunity to closely examine the levels, trends, and significance of the costs of that migration. Although untypical of migrant carriers in some ways, Cunard was reasonably representative in most crucial respects. A first definitive study of Cunard and migration was conducted already thirty-five years ago by University of Liverpool maritime historians Francis Hyde and Robin Bastin. Their results were reported in Bastin’s 1970 masters thesis. Hyde added elaboration in his *Cunard and the North Atlantic*, chapter 3, “Cunard and the Emigrant Trade, 1860-1900”\(^7\)

The research of Hyde and Bastin did suggest that Cunard might be unrepresentative in a one important way. In their assessment, when emigration surged across Europe as a whole after 1900, migrant traffic became less important to Cunard.\(^8\) This conclusion was based on extensive investigation which however did not make full use of available archival materials. Comprehensive examination of Cunard’s voyage records reveals an opposite trend. Appendix 2 is based on figures taken from these record and shows that migrant traffic made up 42% of Cunard’s passenger revenues during 1885-99, and then grew to 54% during 1900-14.\(^9\) These voyage accounts also add further to the evidence against relocation costs as a central influence upon late nineteenth and early twentieth transatlantic migration.

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\(^5\) Useful background information can however be found in the surveys of Thistlethwaite, Bentley, Gould, “Patterns,” and P. Taylor, especially pp. 40-41, 91-96, pp. 116-24, and 132-66. See also Moltmann, Ottmüller, Hyde, Bastin, Keeling, “Transportation Revolution,” and the recent collection edited by Feys, et. al.

\(^6\) See, for example, Gaddis, p. 3: “cheap steamship fares greatly increased the flow of emigrants” and Hvidt, p. 203: “[lower ticket prices] turned new social classes into potential emigrants.”

\(^7\) Bastin, Hyde particularly pp. 58-89.


\(^9\) From the second section of Appendix 2, under “Revenues (£ millions)”: Total passenger revenues before 1900 were £10.1 million (£6.1+£4.0), and after 1900 were £23.7 million (11.5+£12.2). The estimated share contributed by migrant traffic was thus 40% (= 4.0/10.1) before 1900, 51% (= 12.2/23.7) after 1900.
2. CUNARD’S MIGRATION GAMBLE

The Cunard Steamship Line pioneered regular transatlantic steamship service in 1840. Twenty years later, it overcame initial reticence towards steerage traffic, began carrying migrant passengers in noticeable numbers and eventually became the longest-lived transporter of emigrants to North America.\(^{10}\)

Cunard was neither the first, nor was it ever the largest, UK-based carrier of transatlantic migrants, and was often thought to be less "heavily committed to the emigrant traffic" than other British lines.\(^{11}\) Fully comparable data for passenger traffic inbound to New York are available for 13 of the 20 years during 1880-99 and confirm this. On its main Liverpool to New York route, 43% of Cunard’s passengers were "cabin" (first and second class) customers and 57% were steeragers, or third class passengers. For White Star, Cunard’s leading rival in those years, the split was 24% cabin, 76% steerage.\(^{12}\)

These proportions shifted after 1900, however.\(^{13}\) Even before then, traffic in steerage (the class of travel used by most migrants), had an importance beyond its volume share.\(^{14}\) The steerage business segment was more profitable than the cabin segment, but also riskier.\(^{15}\) Compared to the mail transport that was Cunard’s mainstay in its early years, its entry into the migrant trade in 1860 had, as historian Hyde put it, “all the marks of a reckless gamble.”\(^{16}\)

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\(^{10}\) Steerage, originally named for the section of a sailing ship where the steering apparatus was housed, was the lowest price class of passenger travel on pre-World War I Atlantic steamships. As used here, and in maritime statistics, “third class” is synonymous with “steerage.” On North Atlantic routes in this period, most migrants in travelled in steerage, and nearly all steerage passengers were migrants. A majority of second class passengers, considering westbound and eastbound together, were also migrants. See Appendix 2 for details. Passengers in “cabin class”, which means first class and second class together, paid prices considerably higher but rather less fluctuating than those in steerage (Voyage Abstracts). See also Bonsor, vol. 5. For more on Cunard and its entry into the migrant traffic trade, see G.Taylor, pp. 117-22, Hyde, pp. 5-9, 58-69, Bastin, pp. 35-42.

\(^{11}\) Bastin, p. 175. Hyde’s view (p. 78) that “there were times when carriage of emigrants was regarded as a “distasteful necessity” has support in contemporary observations.

\(^{12}\) These percentages are derived from the data in Keeling, “Capacity”, Table A.6., pp. 277-78.

\(^{13}\) See Appendix 4 below.

\(^{14}\) 99% of steerage passengers were migrants (Keeling, “Business,” p. 346). In a sample of 116 passenger lists for ships arriving at New York from Europe during 1903-1913, 6% of steerage passengers were listed as US citizens and 2% as so-called “Non-Immigrants,” however a variety of sources indicate that nearly of these US citizens and non-immigrants were actually people born in Europe who had already migrated to America on a prior voyage across the Atlantic, and who showed up the passenger lists on a later re-entry from a return visit to Europe related to that original migration. In many cases, these naturalized citizens and non-immigrants had gone back to Europe to help accompany additional relatives moving to America. See Keeling, “Repeat,” especially pp. 10-11.

\(^{15}\) Hyde, p. 68,79, 82.

\(^{16}\) Hyde, p. 67.
There is no indication in Hyde’s analysis, or anywhere else, that Cunard’s migrant transport business was fundamentally different from those of its major competitors such as White Star. Nevertheless, for a historical examination of how travel costs interacted with migration movements, Cunard is an especially fruitful choice because its voyage accounting records are more complete and better preserved than other major Atlantic steamship lines carrying migrants to North America before 1914.

3. CUNARD’S VOYAGE TRENDS

The Voyage Abstracts of the Cunard Line contain a complete, consistent and detailed voyage by voyage record of costs, revenues, and passenger totals on the company’s main Liverpool to New York route, and two lesser routes.\(^{17}\) The records are highly accurate, and consistent with other records from inside and outside of the company. Dividing quarterly revenue totals by quarterly passenger totals yields an accurate and unmatched time series of quarterly fares for first, second, and third class, westbound, and eastbound, for the thirty-two year period, 1883-1914, a period of very high levels of transatlantic migration.\(^{18}\) Comparisons between calculated fares and passenger volumes show that there was no significant lasting way in which fare reductions at Cunard over these decades helped to increase volumes of its migrant passengers.

The long term trend of North Atlantic passage prices was flat to slightly upwards, at Cunard and other lines, from the 1880s up to World War I.\(^{19}\) An general overview of movements of Cunard’s fares and passenger volumes is in Appendix 1, and Table 1 highlights one key result: the substantial increase in steerage passengers after 1900 cannot be attributed to lower steerage fares, because fares, on average, were clearly not lower after the

\(^{17}\) About 90% of Cunard’s overall corporate revenues between 1885 and 1914 were generated from voyages to and from the USA. Revenues from the Europe-US routes came from service between Liverpool and New York (68%), Liverpool and Boston (20%) and the Adriatic (Fiume and Trieste, mainly) and New York (12%). The Liverpool routes were in operation for the full 30 years, the Adriatic service began in late 1903. Figures derived from Cunard Voyage Abstracts. See also Keeling, “Abstracts.”

\(^{18}\) The Abstracts records are held by the special collections department of the Sydney Jones Library at the University of Liverpool, They date from 1880, shortly after Cunard’s incorporation as a public company. The complete and fully consistent times series begins in 1883. Annual summary data can be found in Keeling, “Transportation Revolution”, pp. 64-67. Quarterly totals are in Keeling, “Abstracts,” which also contains more detail about the Abstracts and how they can be interpreted. See also Harley, especially pp. 167-171.

\(^{19}\) Even adjusted for the substantial rise in U.S. wages over the period, fares to America were only about ten percent lower in 1913 than in 1881 (Keeling, “Capacity,” p. 250, note 16.), See also Keeling, “Transportation Revolution,” pp. 42-43, pp.64-65.
turn of the century. As can be seen in the righthand column, passenger numbers were about 80% higher after 1900, despite fares also being higher by nearly 50%.

**Table 1: Secular Changes**

<table>
<thead>
<tr>
<th></th>
<th>1885–99</th>
<th>1900–14</th>
<th>1900–14 / 1885–99</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passengers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>304</td>
<td>535</td>
<td>76%</td>
</tr>
<tr>
<td>East</td>
<td>159</td>
<td>296</td>
<td>86%</td>
</tr>
<tr>
<td><strong>Fares</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>£3.5</td>
<td>£5.1</td>
<td>44%</td>
</tr>
<tr>
<td>East</td>
<td>£3.6</td>
<td>£5.4</td>
<td>49%</td>
</tr>
</tbody>
</table>

**Sources and notes:** Steerage passengers on Liverpool-New York route (period totals in ’000s) and period average steerage fares from Cunard Voyage Abstracts.

Quarterly data from the Abstracts show that the relative insignificance of fare levels also applies seasonally and cyclically. Intra-annual measures are necessary for spotting seasonal trends. Annual data do show cyclical patterns, but quarterly data do so more precisely because economic downturns in the US generally spanned sub-portions of more than one calendar year.

Migrants, including those travelling in steerage on Cunard liners, preferred to travel in the warmer half of the year when it was easier to find work in America or a more convenient time for returning eastwards to Europe temporarily or permanently. But, as can be seen in Table 2, this seasonal predilection was neither encouraged nor discouraged by any significant seasonal difference in fare levels.

**Table 2: Seasonal Differences**

<table>
<thead>
<tr>
<th></th>
<th>Winter</th>
<th>Summer</th>
<th>Summer / Winter</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passengers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>301</td>
<td>538</td>
<td>79%</td>
</tr>
<tr>
<td>East</td>
<td>200</td>
<td>255</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Fares</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>£4.1</td>
<td>£4.2</td>
<td>3%</td>
</tr>
<tr>
<td>East</td>
<td>£4.6</td>
<td>£4.9</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Sources and notes:** Steerage passengers on Liverpool-New York route (period totals in ’000s) and period average steerage fares from Cunard Voyage Abstracts.
Of the one hundred and twenty calendar quarters of the years 1885 through 1914, forty-four have been identified as periods of economic recession in the U.S., based on the sources in Table 3 below. Not surprisingly, movement to the United States was lower, and “return” movement from the United States was higher during these recession periods. Again, however, this was not due to any major reduction (or increase) in the average fare levels of the recessionary quarters versus other quarters.

Table 3: Cyclical Patterns

<table>
<thead>
<tr>
<th></th>
<th>Average Non Recession Quarter</th>
<th>Average Recession Quarter</th>
<th>Recession / Non-Recession</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passengers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>7.3</td>
<td>6.4</td>
<td>-13%</td>
</tr>
<tr>
<td>East</td>
<td>3.3</td>
<td>4.7</td>
<td>45%</td>
</tr>
<tr>
<td><strong>Fares</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>£4.3</td>
<td>£4.0</td>
<td>-6%</td>
</tr>
<tr>
<td>East</td>
<td>£4.9</td>
<td>£4.7</td>
<td>-4%</td>
</tr>
</tbody>
</table>

**Source and Notes:** Quarterly average Cunard steerage passengers (in ‘000s) and fares from Cunard Voyage Abstracts (Liverpool-New York route). Recession Quarters: 1887 (I, IV), 1891 (I-III), 1893 (II) – 1894 (III), 1895 (III) – 1897 (I), 1900 (IV) – 1901 (III), 1903 (III) – 1904 (III), 1907 (IV) – 1908 (III), 1910 (IV) – 1912 (I), 1913 (IV) – 1914 (III). Recession periods based on Jerome, Bratt, Miron. Fares, passengers for recession quarters measured with a one quarter lag.

So far this analysis of trends in quarterly migration volumes and passage prices confirms what one might logically expect: that the timing of moves to (and from) America was driven mostly by economic factors in America, not by any great impact from changes in fare levels. This result does not exclude the possibility of an important stimulus to migration coming from fare reductions unrelated to seasonal or cyclical fluctuations. That possibility is ruled out, however (as a general pattern) by Table 4.

Table 4 shows, roughly, that during fare wars, ticket prices between Liverpool and New York were cut to approximately half of the “normal” period average, e.g. from about £5 to £2.5. On average, however, passenger levels fell during the low fare periods, in spite of the untypically cheap cost of passage. Steeragers did travel in slightly greater numbers eastward during those low fare periods, but that effect is completely reversed (with little change in the westward “below/above” percentage) if Table 4 is recalculated to eliminate periods when recession and low fares coincided, thus tracking only those fare war quarters that were not
Table 4: Low Fare Periods

<table>
<thead>
<tr>
<th></th>
<th>Quarterly Average Fare £3 and above</th>
<th>Quarterly Average Fare below £3</th>
<th>Below £ 3 / £ 3 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passengers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>7.3</td>
<td>5.2</td>
<td>-29%</td>
</tr>
<tr>
<td>East</td>
<td>3.6</td>
<td>3.8</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Fares</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>£4.8</td>
<td>£2.6</td>
<td>-46%</td>
</tr>
<tr>
<td>East</td>
<td>£5.0</td>
<td>£2.5</td>
<td>-51%</td>
</tr>
</tbody>
</table>

**Sources and Notes:** Quarterly average Cunard steerage passengers (in ‘000s) and fares from Cunard Voyage Abstracts (Liverpool-New York route). Low Fare Quarters: 1885 (I-II), 1887 (I), 1890 (III-IV), 1891 (II-III), 1894 (III)-1895 (II), 1904 (III-IV).

also recession quarters. This result confirms suggestions by Gould and others that common assumptions about lower travel prices “driving” higher migration are doubly wrong. Not only were prices and volumes positively, rather than negatively correlated, but the direction of causation was opposite. Rather than lower fares leading to higher migration, the more common and more significant causal relationship is that lower migration helped produce lower fares. Lower profits during recessionary periods eroded the viability of conference agreements between shipping lines, and encouraged the outbreak of fare wars.²⁰

This brief discussion of general overall trends and relations between Cunard’s steerage volumes and steerage fares has necessarily bypassed a number of interesting subtleties. Not all migrants travelled in steerage class, although the overwhelming majority did. All fare wars were not alike, nor were all recessions (some were shallow, others deep, and they ranged in duration from a few months to several years). Migration costs included more than the oceanic ticket price. Within a general regime of open borders, shifts in governmental policies and politics nonetheless also had a small supplemental impact on shipping and migration. Most importantly perhaps, changes in the numbers of migrants crossing the Atlantic on Cunard liners were not synonymous with changes in the number of Europeans deciding to relocate to North America.

These caveats and nuances have, however, been examined elsewhere, at least to some extent,²¹ and there is no good evidence suggesting that they -separately or in aggregate- would invalidate the general conclusions here. Travel costs cannot have been the most important factor determining migrant self-selection, in the absence of any major sustained

relationship between transatlantic fares and volumes, seasonally, cyclically, between periods of price maintenance and price slashing, or across the period as a whole.

Nonetheless, Cunard was only one of a number of competing lines operating along sometimes overlapping and competing routes in the overall market for budget travel between Europe and North America. How much one can generalize from the case of Cunard’s voyage trends depends on how representative the company and its passenger business were of the passenger travel between Europe and the United States generally.

4. THE REPRESENTATIVENESS OF CUNARD

The biggest general distinction within the North Atlantic passenger travel market was that U.S. tourists in first class disproportionately used British lines. As a major UK-based line, Cunard also had a somewhat smaller ratio of migrants to non-migrant passengers than the overall market, particularly before 1900. But this and other differences between Cunard and the other lines were not great. Appendix 4 shows that the vessels of Cunard’s fleet tended to be only slightly bigger, faster, and more spacious than those of its principal competitors on the major North American routes. Never larger than number four amongst migrant carriers, Cunard nevertheless increased its market share after 1900 thus developing a more typically quite low ratio of first class passengers to migrants.

Further evidence of Cunard’s representativeness for the early twentieth century is presented in Appendix 5. There one can observe not only the positive correlation of steerage passenger volumes with overall net profits, but also how movements in the company’s steerage passenger totals and corporate net profits tracked market-wide trends, based on available data from 1900 to 1913. Elsewhere, it has also shown that trends in Cunard’s steerage fares are even more closely correlated with those of its competitors.

Bastin and Hyde appear to have made a couple of miscalculations on the way to their erroneous conclusion that Cunard diverged from its competitors after 1900, migrant trade

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22 Based on the class of travel measurements described in Appendix 2, and data from the Voyage Abstracts, Cunard had more revenues from migrant passengers than non migrant passengers (on its routes to America, including Liverpool-New York) despite fares collected from non-migrants being about three and a half times higher.
23 For example, for the years 1903 through 1914, Cunard’s quarterly westbound fares were highly correlated with those of the Rotterdam-based Holland America line: 92% correlation in first class and second class, and 86% in third class (Keeling, “Networks”, pp. 133-34, 166-67). See also, “Capacity,” pp. 271-74
supposedly becoming less important and more important for its continental rivals. In concentrating almost totally on the decades before 1900, they seem to have implicitly extrapolated developments of the 1890s without appreciating the full sweep of longer term ramifications and the extent to which matters were reversed after 1900.

Bastin, for example, found that “the period 1860 to 1900 saw the rise and fall of the Liverpool migrant trade” and that “by 1900 Liverpool's emigration bonanza was over”, in part due to a “build up of surplus capacity.” That certainly appeared to be a reasonable outlook in the 1890s, during which most of the great shift towards the “new immigrants” of southern and eastern Europe took place, even as overall migration levels slumped due to a mostly recessionary economic climate in the US. But, after that, the regional mixture stabilized and migration grew again across Europe generally. The portion of US-bound steerage passengers travelling on UK-based lines dropped from about 40% in the 1880s to 20% in the 1890s, but after that rose slightly. Cunard, moreover, enlarged its market share, partly by dint of consolidation within Britain, but mainly by increasing its carriage of “new immigrants.”

Further assisted by a rising rate of capacity utilization (from 31% in the 1890s to 37% during 1900-1913), faster than average growth of migrant traffic in the more upscale second class, and a sustained increase in fares after 1907, Cunard’s migrant revenues grew markedly and outpaced costs considerably in the years before World War I. In fact, Cunard’s performance in the migrant trade after 1900 diverged only slightly from general North Atlantic trends and did so the direction of more, not less, growth and profitability. Moreover, changes in travel costs appear to have had no important influence upon this growth.

5. MIGRATION AND CUNARD’S CORPORATE STRATEGIES

At Cunard and its North Atlantic passenger shipping counterparts, migration traffic had become the largest and fastest growing business segment by 1900. Other than migrant travel, the most important other services provided on these passenger ocean liners were the

26 An estimate for the Europe-US routes for 1900-13 as a whole is that migrant passengers contributed about half of the passenger lines’ revenues (Keeling, “Networks, pp. 122-123). For Cunard, for 1900-13, it was 44% (calculated from the Voyage Abstracts with “migrants” measured as in Appendix 2 below).
transport of luxury class passengers, most of who were summer tourists visiting Europe from the U.S., freight shipments, and naval and postal services for governments. The last of these was separately handled in Cunard’s records (it is not included in the Voyage Abstract accounts) and was relatively small, probably not amounting to more than 5-10% of total revenues. All the major North Atlantic passenger lines carried migrants, non-migrants and varying amounts of freight cargoes, on all their passenger steamers, although much transatlantic freight was also moved on freight-only lines or freight-only vessels. For reasons of prestige, politics and public relations, shipping line executives were most attentive to the needs and desires of their first-class passengers and government regulators, but this was not incompatible with strategies for efficiently accommodating the core business of migrant transport.

Another aspect of North Atlantic shipping line financial history features prominently in Hyde’s evaluation of Cunard’s business progress after 1900, namely in his conclusion that that progress crucially depended upon large subsidies from the UK government amounting to a “virtual government partnership.” Without this adept capitalizing of “good will into a national asset,” in Hyde’s account, “it is arguable whether the Company would have survived the difficult years 1903-08.”

It would exceed the scope of the present analysis to attempt to evaluate this implied counterfactual argument of Hyde, in part because the subsidy arrangements negotiated in 1902-04 were so integrally related to the complex web of US-UK-German amalgamation and market-sharing associated with the roughly contemporaneous formation of J.P. Morgan’s International Mercantile Marine. That Cunard cleverly exploited opportunities then to obtain crucial government backing is not, however, in historiographical dispute and Hyde’s description is broadly consistent with more in-depth studies such as that of Vale. It would be nonetheless erroneous to conclude that government subsidies were more important to Cunard after 1900 than was the successful growth of its migrant passenger business.

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27 Transport services to governments in time of war could be very lucrative, but such occasions were rare in this period, the main example being the Boer War troop transport which explains at least part of the unusually high profits of 1900 shown in Appendix 5.
28 For more on the interaction of migrant transport and non-migrant transport their impact upon and shipping line strategies, see Keeling, “Capacity,” especially pp. 240-247.
29 Hyde, pp. 147, 158. See also p. 71.
30 Vale, pp. 143-183.
31 A more reasonable conclusion is that the growth of migrant traffic provided to Cunard at least twice as great a benefit as that of government assistance. The subsidy in question was granted to assist in the building and operation of Lusitania and Mauretania, the fastest commercial ships in the world during the years just before the First World War. Once those vessels were placed in service in late 1907, Cunard obtained an increase of £130 thousand in its annual admiralty subvention and an interest rate subsidy worth another £35 thousand per
A more well-founded interpretation would be that the subsidies provided a financial cushion upon which Cunard built up a considerably increased share of a fast-growing migration market that was anyway lifting the overall oceanic passenger transport industry after 1902, and which kept it relatively buoyant up to World War I.

Despite considerable market growth and technological change over the three decades surveyed here, the business of coal-fired passenger steamships on the North Atlantic remained highly standardized from one company to the next.\(^{32}\) As one Cunard official expressed it: “We all watch what another steamship company does...and see if we cannot go her better.”\(^{33}\) Migrant traffic was the most important business segment for all the passenger lines. Differentiation of customer service and corporate orientation tended to be limited and subtle.

Across its long history, Cunard was somewhat more successful than other lines in maintaining a reputation for prudence and safety.\(^{34}\) This sort of inherent caution kept it out of the business of migration traffic at first, as Hyde and Bastin documented.\(^{35}\) But, caution and risk aversion remained priorities even after Cunard entered the migrant transport trade. Furthermore, this approach differed in degree but not kind from that followed by its pre-World War I competitors. For these companies in that era there was no good alternative to pursuing the risky though potentially lucrative business of migrant travel.

A general consensus among chroniclers and historians of North Atlantic passenger shipping bears both repeating and briefly explaining here. In the words of Vernon Gibbs, “the importance of the emigrant traffic prior to 1914 can hardly be overrated,” it was the “rock” upon which major North Atlantic passenger lines “built their fortunes” and difficult for any to “prosper” without it. The engineering and economics of large-scale oceanic transport lay behind this centrality of migration to shipping during the era of open-borders.
Postal and naval users that supported commercial shipping put a premium on speed, the cost of which rose exponentially with each incremental reduction in crossing times. Tall and narrow vessels were developed to at least partly offset the heavy fuel requirements of fast ocean travel. The mechanics of movement through water and economies of both scale and high fixed costs also made it advantageous to build vessels as large as could be accommodated in harbor channels and docks, and to fill them as full as possible with revenue-generating occupants. The largest passenger liners deployed on the late nineteenth and early twentieth century North Atlantic were indeed longer and more massive than any human-built structure on land up until then, and they had much more space than could be profitably rented out to freight cargoes loaded from the bottom up, or tourist travellers accommodated from the top down.\textsuperscript{36} To competitively operate vessels of such dimensions, companies needed the patronage of migrants, who were housed in the “tweedledecks” and whose travel for the shipping firms was “highly profitable, even though subject to wide fluctuations in volume.”\textsuperscript{37} The logic of using different vessel sections to accommodate tourist, migrants and freight, applied across all the major passenger lines and was as compelling and unavoidable between 1900 and 1914 as it was before 1900.

It is quite possible that company statements and correspondence concerning migrant passengers were more abundant before 1900. Hyde particularly mentions as “valuable sources of information” the files of correspondence between Cunard and its New York agent which “contain a mass of detail on the day-to-day running of the trade, especially during the difficult years of the 1890s.”\textsuperscript{38} But this, of course, is no proof that migration was any more important then than after 1900, even in the minds of company managers. Heavier correspondence before 1900 concerning migration might well reflect more day-to-day problems worth writing about in those “difficult years”, more productive letter-writers then than later, or simply a higher rate of archival preservation for the 1880s and ‘90s, etc..

Despite the financial significance of migration exhibited in the Cunard Voyage Abstracts, public statements about it by company officials were relatively rare. This is not really surprising, however. Being a transporter of large numbers of migrants was not a source

\textsuperscript{37} Gibbs, p. 540.
\textsuperscript{38} Hyde, p. 78. Bastin also cites them at some length, see for instance, pp. 123, 125, 146-47. It is difficult to identify this “mass” in the Cunard Archive catalogue which was not yet completed when \textit{Cunard and the North Atlantic} was published. It is certainly plausible that the specific aspect of migrant traffic highlighted thereby – the reliance on “first-class agents” did become less important after 1900, with increasing regulation, regularization of migrant flows and the provision of services such as ticketing and in-port accommodation by the company directly. See Keeling, “Networks,” pp. 118-122.
of prestige or public relations the way the carrying of famous wealthy celebrities aboard mammoth state-of-the-art liners with luxuriously appointed upper decks was.

When it comes to the migration segment of transatlantic shipping lines such as Cunard, actions speak louder than words, public statements, or advertising brochures. In Liverpool by 1903, Cunard had a “complex of houses” that could accommodate two thousand passengers awaiting departure in “ten-bed dormitories, with good sanitation and food, provision of separate Jewish diet, and staffs of foreign origin who spoke the appropriate languages.” Special facilities for steerage passengers departing on Cunard Adriatic service from Fiume were similarly in place by 1907.39

Quietly, Cunard also took the lead in providing a growing fraction of its migrant passengers the relative comfort and privacy of “closed berths” (enclosed cabins for 2-8 passengers rather than large bunkrooms). In the respect, Cunard was ahead of the overall industry (see Appendix 6) in passing along increased space per passenger (see Appendix 4) to migrants as well. These enclosed “third class” cabins did not offer much more space per se, but were associated with more spacious public areas, more dining rooms and deck space, with greater if still modest amenities for migrants. A newspaper account of Cunard’s famous all-closed berth Lusitania and Mauretania of 1908 made favorable reference to them as promulgators of a new “aristocracy of the steerage.”40 The company did not talk about this much, however,41 and neither did Francis Hyde.

Hyde’s Cunard and the North Atlantic was the culminating work of a long and productive career in maritime history. The scope and depth of his study has few parallels and it certainly inspired many other studies in maritime history, by Hyde’s students, former students, and others. It was also an important starting point for the research that has ultimately led to this paper.

But Hyde certainly did not consider his book to be the final word on Cunard. To have “written both a comprehensive and definitive study,” he noted in the introduction to Cunard and the North Atlantic, would have required a work several times longer than its nearly 350 pages. For “aspects of the Company’s history not fully covered” in his volume, he specifically recommended the Cunard archives in Liverpool hoping that they would “stimulate further research.” The results of this analysis, may therefore be viewed not as a

40 New York Herald, 12 September, 1909, p. 12 (Magazine section).
41 See, however, Cunard Committee minutes B8-1, Feb. 17-1902, Jan, 13, 1905 for one of several exceptions.
fundamental revision of *Cunard and the North Atlantic*, but as a necessary, and even anticipated, correction and extension on one small but vital dimension of the company’s long and colorful history.

6. DECISIONS TO MIGRATE

The findings here -that migration became more important after 1900 to North Atlantic shipping lines, including Cunard, but that the level of the company’s steerage fares was not very important in shaping its steerage flows- are consistent with broader patterns. During this period, the oceanic passage price was only about half total cost of migrating to America, and those migration costs had sooner or later to come out of savings, from work in the U.S. (or less often Europe) after living costs. But even with all those costs taken into account, only about seven months of work in the 1880s, or four months in 1913, were needed to fully recoup those costs, at typical wage rates and living costs obtained by low-skilled European migrants in the United States. Most such migrants were relatively young and ended up staying in America, so their upfront investment of a few months of worth of saving relocating to America led, or at least so they might have reasonably hoped, to decades of higher wages and improved economic opportunities. Most migrants in fact moved as links within long family chains over a number of years relying heavily on remittances and prepaid tickets from those already in America to finance the journeys of others to follow. There were many reasons for not moving to America, but inability to finance the cost of crossing there was not the most important, at least not by the late 19th century.42

If travel costs then were not a significant factor in the personal decisions and processes of mass migration across the North Atlantic, or at least were no longer so by the 1880s, how can one explain millions of Europeans relocating across the North Atlantic, while many more millions like them remained on their side of the ocean? Appendices 3 and 5 offer a starting point by showing the sharp cyclicality of steerage flows at Cunard at the other major lines.

After 1900, migrant transport was the fastest growing and most profitable business segment for the major Atlantic shipping enterprises but its volume also fluctuated widely and unpredictably.43 The lucrative but very cyclical commerce in non-luxury class travel was

43 The higher profit margin on steerage versus cabin, especially first class, is partly explained by its greater variance (Keeling, “Capacity,” pp. 240-42).
ultimately based on attractive but cyclically vulnerable American jobs taken by migrants from Europe. Plentiful low-skilled employment opportunities in the United States, at double or triple effective European wages net of living costs, came with significant downside strings attached. These employment opportunities were often temporary, insecure, and physically risky, in marginal positions in cyclical industries such as construction, and were provided within a mostly “laissez-faire” economy with little or no modern “social safety net.” Small wonder that transatlantic migration was dominated by those with little to risk by leaving home, who were young and strong enough to be attracted by adventure overseas more than they were dissuaded by the hazards of long-distance relocation, and who relied heavily on cooperative protection of family networks if they emigrated, or that most normally risk averse Europeans never left Europe to begin with.

With average fares amounting only to a few weeks of US wages by 1900, potential migrants were rarely persuaded to depart or stay put even when fares dropped well below the long term trend. But this did not mean that transportation was a matter of indifference to the overseas job-seekers. They relied on prompt, dependable and frequent transatlantic travel service, noticeably when going back to Europe to escape recessions in the United States. This was a risk-management strategy of migrants that also reduced the cyclical risks for shipping lines by generating a cushion of eastbound revenues during U.S. recessions. 44

7. CONCLUSIONS

The financial records of the Cunard line reveal a migration travel business subject to wide variation that was, however, not related in any major causal way to fluctuations in the prices charged migrant travellers. Rather, the case of Cunard further corroborates a broad array of indications that the economic risks of working abroad instead of at home were more important than travel costs in determining who left Europe for America a century ago.

The North Atlantic steamship service of Cunard between 1880 and 1914 was characterized by the deployment of ever-larger, and gradually ever more spacious multi-purpose vessels whose largest, most profitable, and riskiest customer segment consisted of European emigrants relocating to America due to persisting long term economic opportunity, and only secondarily in response to long run or short run changes in travel costs. In all these

respects, Cunard was quite typical of North Atlantic passenger shipping generally, but its financial records are the most transparent and best-preserved.

Shipping lines in the business of maintaining frequent and regular schedules anyway, as part of their government mail contracts and for their prestige-bringing luxury class tourist and business travellers, found migrant traffic to be an indispensable element within a cluster of jointly provided transit services. The fundamental mechanics and economics of moving their vessels swiftly yet cost effectively to America and back meant that migrant travellers were an essential means of filling the large vessel spaces below the upper decks most rentable to tourists, senior government officials and businessmen. 45

Unable to avoid migrant traffic, the shipping lines accommodated it instead. Rather than fare cuts that would not pay off in terms of increased volumes of “human freight,” as was often the case with contemporaneous carriers of bulk goods, companies such as Cunard instead invested the savings from ongoing development of more efficient engines and hull designs into increased space, and associated comforts, for all classes of passengers, including migrants.

The fluctuating market for American jobs typically paying several times European wage levels was the dominant force shaping migration across the North Atlantic in the decades just before the First World War. The risk and uncertainties of work in an foreign laissez-faire economy deterred most Europeans from considering a move there. Those who did move overwhelmingly relied on long-term family networks of multiple individuals who often made multiple oceanic crossings. Whether the ticket price amounted to one month or two months of low-skilled U.S. wages was a minor issue.

The combination of highly cyclical migration flows and a very rate high of fixed costs helped make North Atlantic passenger shipping an extremely risky business. Such risks, and the need for a fleet of multi-million dollar vessels and back-up vessels guaranteeing a regular schedule of service, limited long term involvement in the business to a relative handful of well-connected, well-capitalized, and well-managed corporations. Long-term survival depended not on lowering fares (to a market sensitive to other factors) but on providing dependable service across the ups and downs of the business cycle, with gradual but competitive improvements in travel conditions.

Under these general conditions, it is really not surprising that fare levels neither amounted to a primary concern for North Atlantic migrants of 1880 to 1914 nor exhibited any significant long term trend (as contemporaneous freight rates did). Cunard’s Voyage Accounts are the most complete and continuous of many such records documenting a cross-Atlantic migration business which grew markedly over the period, with considerable short term variation, due to the varying appeal of American jobs, not shifts in the small amount of financeable up-front investment Europeans needed to pursue them.
Appendix 1  Steerage Fares and Passengers, and key U.S. recessions
Cunard Line, Liverpool-New York route, 1883-1914

Source and note: Cunard Voyage Abstracts. Fares are Revenues divided by Passengers in steerage class, plus an adjustment westward for the U.S. head tax on immigrants. "Passengers" are adult fare equivalents, which, however are very highly correlated to actual volumes as given in the Transatlantic Passenger Conference records. See Keeling, "Abstracts."
APPENDIX 2

Cunard's trends by passenger category
1900-14 compared to 1885-99

<table>
<thead>
<tr>
<th></th>
<th>1st class</th>
<th>2nd class</th>
<th>Non-Voyage Steerage</th>
<th>Migrants</th>
<th>Migrants</th>
<th>All Voyage Revenues</th>
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<tr>
<td><strong>PASSENGERS (thousands)</strong></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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<tr>
<td>1885-99</td>
<td>330</td>
<td>200</td>
<td>753</td>
<td>398</td>
<td>885</td>
<td></td>
</tr>
<tr>
<td>1900-14</td>
<td>403</td>
<td>480</td>
<td>1,745</td>
<td>588</td>
<td>2,040</td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES (£ millions)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1885-99</td>
<td>£6.0</td>
<td>£1.5</td>
<td>£2.6</td>
<td>£6.1</td>
<td>£4.0</td>
<td>£14.2</td>
</tr>
<tr>
<td>1900-14</td>
<td>£10.5</td>
<td>£4.7</td>
<td>£8.5</td>
<td>£11.5</td>
<td>£12.2</td>
<td>£28.3</td>
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<tr>
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<td></td>
<td></td>
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</tr>
<tr>
<td>1885-99</td>
<td>£18.3</td>
<td>£7.5</td>
<td>£3.4</td>
<td>£15.3</td>
<td>£4.5</td>
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<tr>
<td>1900-14</td>
<td>£26.0</td>
<td>£9.8</td>
<td>£4.9</td>
<td>£19.5</td>
<td>£6.0</td>
<td></td>
</tr>
<tr>
<td><strong>% INCREASE (1900-14 compared to 1885-99)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passengers</td>
<td>22%</td>
<td>140%</td>
<td>132%</td>
<td>48%</td>
<td>131%</td>
<td></td>
</tr>
<tr>
<td>Fares</td>
<td>42%</td>
<td>31%</td>
<td>44%</td>
<td>27%</td>
<td>33%</td>
<td></td>
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<tr>
<td>Revenues</td>
<td>73%</td>
<td>214%</td>
<td>233%</td>
<td>88%</td>
<td>206%</td>
<td>99%</td>
</tr>
</tbody>
</table>

Sources: Cunard Voyage Abstracts. All voyages between Europe and US are covered here. Migrant passengers, revenues estimated as westbound: 10% of 1st class, 70% of 2nd, 99% of steerage, eastbound: 5% of 1st, 40% of 2nd, 99% of Steerage. These percentages are based on passenger list samples and Keeling “Networks”, footnote 1, p. 113. The result that migrant traffic grew faster than other activities after 1900 is not sensitive to these estimated percentages, however, because there is little doubt that most migrants travelled in steerage and second class, and volumes in those two classes, as shown here, clearly rose much faster than did the first class or freight businesses. Freight revenues (not shown in the table, but included in “All Voyage Revenues in the rightmost column) were £4.1 million during 1885-99, £5.0 million during 1900-14. Roundtrip voyages between Europe and the US (also not shown above) were 1521 in 1885-99, 1492 during 1900-14. Migrant fares = migrant revenues divided by migrant passengers.
Appendix 3  The cyclicality of Cunard's passenger flows and corporate profits, 1885-1913

Sources: Cunard Voyage Abstracts, Hyde, p. 154. Passenger flows are annual roundtrip totals on all of Cunard's routes between Europe and the USA. Net profits are for the entire corporation (including small ancillary businesses, such as intra-Europe routes) and measured after vessel depreciation.
# APPENDIX 4 Representativeness of Cunard, 1890-1913

Steamers, passengers arriving at and departing New York, Boston, Philadelphia, Baltimore from Europe (1890 New York only)

<table>
<thead>
<tr>
<th></th>
<th>Cunard</th>
<th>&quot;BIG 4&quot;</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AVERAGE VESSEL SIZE (GROSS TONS, '000s)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1890</td>
<td>6.9</td>
<td>5.1</td>
<td></td>
</tr>
<tr>
<td>1900</td>
<td>11.0</td>
<td>8.0</td>
<td>7.2</td>
</tr>
<tr>
<td>1913</td>
<td>18.3</td>
<td>14.1</td>
<td>12.3</td>
</tr>
</tbody>
</table>

| **GROSS TONS / PASSENGER BERTH** |         |         |      |
| 1890 | 5.1 | 4.2     |      |
| 1900 | 6.8 | 6.2     | 5.8  |
| 1913 | 7.8 | 7.7     | 6.9  |

| **AVERAGE VESSEL SPEED (KNOTS)** |         |         |      |
| 1890 | 16.2 | 15.0    |      |
| 1900 | 17.9 | 16.3    | 15.3 |
| 1913 | 18.3 | 16.6    | 16.2 |

| **AVERAGE VESSEL AGE (YEARS)** |         |         |      |
| 1890 | 8.7 | 8.1     |      |
| 1900 | 7.8 | 9.5     | 11.1 |
| 1913 | 8.8 | 11.8    | 10.4 |

| **MARKET SHARE OF PASSENGERS BETWEEN EUROPE AND USA** |         |         |
| 1890 | 8% | 49% |
| 1900 | 7% | 57% |
| 1913 | 12% | 66% |

| **2ND & 3RD CLASS AS % ALL PASSENGERS CARRIED** |         |         |      |
| 1900 | 78% | 82% | 85% |
| 1907 | 90% | 89% | 92% |
| 1913 | 85% | 88% | 91% |

**NOTES:** The averages in this table are weighted by the number of voyages per vessel. "Big 4" = Cunard, White Star, HAPAG, NDL. Between 1890 and 1914 they transported over half of all migrants arriving in the US from Europe.

**SOURCES:** Bonsor, North Atlantic Seaway, Lloyd's Register
ARCN, Transatlantic Passenger Conference records
Appendix 5  Westbound Steerage and Corporate Profits: Cunard vs Other Major Lines, 1900-13

Sources: Cunard Voyage Abstracts, Hyde, shipping lines’ annual reports. The five other major lines, NDL, HAPAG, CGT, Holland America and Anchor, took about 50% of migrants between Europe and the US, 1900-1913. All six (including Cunard) took about 60% of migrants. Percentages based on Transatlantic Passenger Conferences reports. Net profits as shown here are after vessel depreciation.
Appendix 6  Growth of Closed Berths, Cunard versus others, Europe to USA, 1890-1914

Sources: Keeling, "Conditions", Appendix 3, "Adriatic service", and Ultonia transfer per Bonsor; Saxonia and Ivernia closed berths per Isherwood, Merseyside Maritime Museum, and Boston Evening Transcript May 2, 1901 and December 14, 1909. Note: All 2nd class berths were closed. 3rd class (here defined as equal to "steerage") was a mixture of open and closed berths.
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