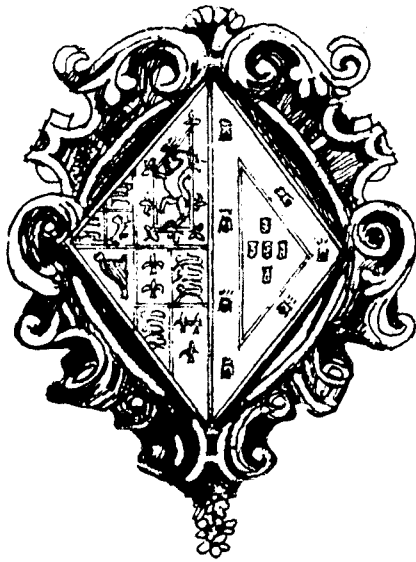


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## THE ANGLO-PORTUGUESE TREATY OF 1899

by Professor H.V. Livermore

After my article on the Ultimatum of 1890, the editor has asked me to write about the Treaty of 1899. If Lord Salisbury's Ultimatum seemed to mark for some the demise of the Ancient Alliance, the Treaty of 1899 showed its extraordinary capacity for resuscitation. The principal credit for this is accorded to the Marquis of Soveral whose portrait adorns the Portuguese Embassy in London, and who as negotiator, single-mindedly pursued his object throughout a decade fraught with perils. He was not dismayed by the weight of responsibility – at one moment a German colleague remarked that he had the peace of Europe in his hands – nor discouraged by temporary reverses. It is only fair to link his name with that of King Carlos who told a hesitant Prime Minister 'opportunities are so few that it is necessary to seize them by the forelock: if we let this one go, we shall certainly not have another soon, and it is necessary for our tranquillity not to let it escape by any means.' The opportunity may have saved Portuguese Africa, but not the throne of the Branganzas, which barely survived the regicide nine years later. During Soveral's tenure as Minister for Foreign Affairs from September 1894 until February 1897, relations between the two crowns were fully restored when King Carlos visited London and was invested with the Order of the Garter, as his medieval predecessors had been. But the politicians were not then ready to reaffirm the Ancient Alliance. This arose only in July 1899 when Salisbury asked him about Portugal's interpretation of her international agreements. In September, on the eve of the Boer War, he asked for a prohibition on the passage of arms and munitions through Portuguese territory. Agreement was quickly reached. Soveral stated that, in case of war, Portugal would side with Britain, but would need an assurance not only against the Boers, but against Germany. Salisbury's cabinet agreed and asked Soveral to produce a

form of words. In the event, preference was given to the old treaties, notably that of 1661, which contained a specific reference to the defence of colonies. In 1889 Salisbury had referred to Portugal's historical claims as 'archaeological'. But in 1889 the issue was not the defence of the Portuguese colonies, but what these possessions in fact were. In 1899 the words used in the 1661 treaty were repeated, with a reference to the present conflict. The treaty was concluded on October 14<sup>th</sup>. The Boer War had begun three days earlier.

When R.J. Hammond published his *Portugal and Africa, 1815-1910* in 1966, he noted that the source of the negotiations between Britain and Germany had been familiar since the publication of the main documents in 1924 and 1927. However, the Portuguese documents were not available, as P.B. Warhurst noted in his *Anglo-Portuguese Relations in South Central Africa, 1890-1900*, (London 1962). The late D. José de Almada gave an outline in his *Aliança Inglesa* of 1947, but his *Negociações Anglo-Alemães* were considered confidential; Warhurst used the copy in the British Embassy in Lisbon, but I have not seen it. Part of Soveral's despatches are now available in the *Correspondência Política* of José Luciano de Castro, Lisbon, 1997, but it will only be possible to measure the full value of Soveral's work when a full edition is made. For this reason the following lines must be regarded as incomplete. The late Eric Axelson combed the Portuguese archives in relation to southern Africa for his *Portugal and the Scramble for Africa* (Witwatersrand 1967), but he ended his investigation – the most complete to come from any South African historian – in 1890.<sup>1</sup>

It would be pleasant to record that Salisbury had recovered from a temporary lapse and had come to appreciate the value of an ancient tradition. It would also be pleasant to record that Portuguese politicians and journalists had emerged with a clearer perception of what could and should be done. Whether the facts will bear these interpretations is for the reader to judge. Hindsight is the privilege of historians: politicians must manage without it.

In 1889 the brush between the acting vice-consul at Blantyre and the Portuguese expedition was an insignificant incident which

acquired importance from positions and commitments taken in London and Lisbon. Ten years later, the world scene was more complicated and more dangerous. The concept of *Weltpolitik* had emerged and there were many points where a general conflict might have been detonated. Britain and France were at odds over the Fashoda incident. The Germans were joining in the subjugation of China. The Americans in 1898 put an end to what was left of the Spanish Empire in the Americas and added the Philippines. Whatever the humiliation felt by Portugal in 1890, she had obtained a guarantee of three-quarters of a million square miles of Africa, far more than her limited resources permitted her to develop. At the same time it was supposed in Germany, and the supposition was not entirely refuted by Salisbury, that the Portuguese state was in such decadence that it was doomed to dissolve, or at least to be put into some form of receivership, as happened to Turkey, Greece and Egypt. The concept of national superiority, then popular, was nourished by that of decline. In Portugal, the supposed decline was an inability to meet financial deficits. Deficitary financing had become a way of life for politicians. The system had its roots in British loans made in the first half of the century when the word *inglês* became a synonym for creditor. Now British speculators were more interested in Canada, Australia and places where there were thousand of miles of rail to lay. But the image of the British moneylender persisted in Portugal even when the lenders were French rentiers who formed groups to defend their interests. These committees pressed their governments so that private interests merged with official policy. Until 1889 the Portuguese balance of payments had been relieved by remittances from Brazil, but the overthrow of the Emperor Pedro II and the economic chaos of the Brazilian republic brought bankruptcy on the state and on Barings Bank. This in turn made lenders warier and their demands for security greater. All these intersecting matters form part of this historical scene.

The charge that threw its shadow over Portuguese affairs for a decade was incurred by the decision to rescind the contract granted to an American promoter and adventurer Edward McMurdo to build the Moçambique section of a railway from Lourenço Marques to

Pretoria, a matter of fifty two miles to the border. McMurdo paid £20,000 for the concession which he blew up into a bond issue for £500,000, paying himself to oversee the work. On his death the Portuguese rescinded the concession, exposing themselves to a suit for the face value of the bonds and other ill-defined costs. Harassed by the Ultimatum, they did not claim that the conditions had not been met, or that the bonds were worthless, but let the case go to Swiss arbitration. The 'Berne Award' was not handed down until 1900, when it struck a balance, but successive governments had been dogged by the prospect of having to find an unknown sum of money at short notice.

Salisbury's Ultimatum has been attributed to his being in bed with fever, which caused him to act in haste. The French Ambassador Waddington picked this up adding that Salisbury himself realised that he had gone too far. But the action is in line with his whole procedure of forcing a solution while refusing arbitration. It is most likely he was influenced by Morier, who had failed to push his own treaty through with Braamcamp, and had concluded that he had not been high-handed enough and that the Portuguese would even be glad to have their minds made up for them. This was the line Salisbury took with Queen Victoria. He was not, be it said, a man of profound intelligence having achieved a fourth class in mathematics at Oxford, which may have instilled in him his sense of priorities. Having convinced himself, with some pressure from Rhodes, that Blantyre was not a Portuguese colony, his first priority was with the Germans. In May 1890 the Portuguese negotiator Barjona de Freitas came to London intending to reach a settlement of the frontier question. But Salisbury delayed in presenting his counter-proposals until he had reached a convention with Germany, which was celebrated in July. He had come to office in 1886 when Gladstone had been outplayed at the Berlin conference, and had made it his duty to secure British interests in Kenya and Uganda and to avert any danger of a further German fait accompli. Although Bismarck had always professed loyalty to the royal connection with Britain, his position had become less secure with the accession of the new Kaiser William II in 1888 who made similar professions on his visits to Cowes. But in March 1890 he

dismissed Bismarck, whose successor Caprivi no longer enjoyed such authority. More expansionist views prevailed, and the Kaiser's professions were accompanied by caveats. By the Anglo-German convention of July 1890 Salisbury believed he had agreed freedom of transit, suppression of custom duties, freedom of worship for missionaries and other conditions, having sweetened the atmosphere by relinquishing Heligoland, the only piece of Germany in British hands.<sup>2</sup>

The delay thus caused led the Portuguese into supposing that real negotiations were to take place, with arbitration where necessary about frontiers. Instead they found themselves confronted by demands based on the exaggerated idea of the authority of Lo Bengula and adopted as policy by Rhodes now First Minister of Cape Colony. The Anglo-Portuguese Treaty negotiated by Barjona in London thus disappointed the Portuguese and was rejected by the cortes, amidst accusations of disloyalty against Barjona and the government, which resigned. This left a hiatus which had to be filled by the *modus vivendi* adopted for six months in November. It was made necessary by the activities of Rhodes, who was intent on seizing whatever he could before a treaty was concluded. The failure of the treaty in August enabled him to engineer a series of incidents to provide his Chartered Company with *faits accomplis* – the attempt of Schulz to foist on Gungunhana the promises which had gulled Lo Bengula, the arrest by Forbes of Paiva de Andrade, the attempt at gun running by the *Countess of Carnarvon* in February 1891, the Willoughby affair at Beira and the refusal to withdraw from Macequece from December 1890 until 1891.<sup>3</sup>

In Portugal the uproar which followed the rejection of the treaty of August culminated in the attempted republican revolution of Oporto in January 1891.<sup>4</sup> It was quickly suppressed though two regiments were disbanded and Consul Graufurd went on indefinite leave. Salisbury's highhanded attitude, coupled with naval preparations to force the Zambesi, aroused Portuguese hostility, but the point that provoked most emotion was that Portugal should not dispose of her possessions without British consent. The implication that foreign permission was required to dispose of her own property

was easily turned against the regime. The final treaty concluded in June 1891 put an end to Rhodes' attempt to exploit the situation. It did not end the resentment, since Salisbury insisted that it be ratified by cortes before it was signed. The fact that Portugal gained title to a vast area, though not precisely what she had claimed, did not count, since it was taken for granted. The injury to national pride and the use to which this was put stayed on, as did the idea that Salisbury who had given the charter to Rhodes was conniving at the ambitions of the devious autocrat of the Cape. When the cortes rejected the first treaty Salisbury admitted that he was 'strongly pressed by Rhodes: if the treaty were not ratified, he would not maintain his resistance to these influences'. The former version had provided for a narrow strip linking Moçambique with Angola, a vestige of the rose coloured map, but this disappeared in the final version, which replaced 'British consent' with a mutual agreement to grant preferential treatment in case of alienation, and an undertaking not to interfere in the internal affairs of the other party. The treaty was ratified by large majorities of both houses and then signed in Lisbon on June 11th 1891, when the government resigned.<sup>5</sup>

The crisis of 1890 was between Britain and Portugal and was settled between the two states. Barros Gomes had clearly hoped for support from Germany, as D. José de Almada states. To what extent these hopes were supported is not clear. There was no written agreement and it does not appear that anything more than sympathy was obtained. This could be said of other countries, but Salisbury while maintaining Britain's isolation, was particularly desirous of having good relations with Germany with respect to Africa and had sought German assurances before bringing affairs with Portugal to a head. Over the following decade many changes occurred. Rhodes had obtained the country he coveted, and as Prime Minister attempted to draw the Transvaal into some sort of confederation. He had long feared being 'jumped' by the Germans since their acquisition of south west Africa and Tanganyika, a possibility Salisbury may have imagined he had exorcised by the Anglo-German treaty of 1890 and by the right of pre-emption included in the Anglo-Portuguese treaty. This had also provided for a rail link between Rhodesia and the sea at Beira. His fears lest his pioneers be

caught like rats in a trap – his own phrase – were thus annulled (the trap being of his own making). His fears for his own pioneers were satisfied, and the new crisis had nothing to do with their security, and very much to do with the Transvaal. The Afrikaners of the Cape had accepted British rule and were Rhodes own constituents, but the Boers, or country people, had retreated northwards to preserve a republican form of government which had existed before the formation of the kingdom of the Netherlands. By the London Convention the Boer republics had agreed to have no foreign relations except through the British government, and Pretoria had no access to the sea unless through Tongaland, which had been annexed by Britain, or through Portuguese territory. Until 1896 when France made a colony of Madagascar, there were no other European possessions in the area. However France was a source of capital, and had acquired an alliance with Russia by taking over the Tsar's debts, and separating him from his alliance with Germany. The debts of Greece invited foreign intervention.

In Portugal where the British sovereign had been in current use, gold disappeared and was replaced by silver. In three months the floating debt was increased by 500 contos. Although King Luis (1861-89) had rarely opposed the wishes of the politicians, his son King Carlos soon perceived that any reform of the rotativist system must come from the crown. In 1892 he appointed Dias Ferreira as Prime Minister, and Oliveira Martins as Minister of Finance. Oliveira Martins' reputation as historian and thinker seemed to equip him to launch a 'New Life' above the squabbles of Regenerators and Progressists. It lasted barely three months. He proposed to cut expenditure and raise taxes, reducing by a third the service on foreign debt. This was represented as a bankruptcy, but Dias Ferreira wanted a new loan and a consolidation of the floating debt. Oliveira Martins resigned and was soon followed by Dias Ferreira, having set up a board to guarantee regular payments from receipts. There was now no recourse but to return to the old parties, and King Carlos called on Hintze Ribeiro and the Regenerators who had borne the brunt of the negotiations and were regarded as the party of the Alliance. What was required was a period of stability combined with firm government, and Hintze was able to remain in power from

February 1893 until the same month in 1897, with Soveral as Foreign Minister from September 1894.

In England Salisbury was defeated in August 1892, when Gladstone formed his last cabinet, with Lord Rosebery at the Foreign Office. Gladstone himself retired after sixty years in politics in March 1894. He had been more sceptical than Salisbury about the value of Africa, and less inclined to negotiate with Germany, and his handling in 1884-85 of the Berlin Conference had left Salisbury with an awkward legacy to pick up. Queen Victoria called on Lord Rosebery, who for all his wealth and youth was unable to hold the Liberal Party together. In his second year the Unionists split off and joined Salisbury, who returned in coalition with a large majority. If Rosebery continued Salisbury's policy, he was less ready to negotiate with Germany. The first hint of a German design against the Portuguese possessions may be traced to September 1894, when the German consul at the Cape remarked to the colonial secretary that countries that could not pay their debts had no right to have colonies. He was told that Britain had not been disloyal to Portugal and would not be so now.<sup>6</sup>

The immediate context was the reduction by Portugal of interest payments on foreign debt, which caused the French to speak of imposing international control and the Germans to speak of withdrawing their minister in Lisbon. Hintze Ribeiro's finance minister, Augusto Fuschini, upheld the arbitrary reduction, but promised to pay half the revenues above a certain sum: he too soon resigned. After a year or two of balanced budgets, recourse was had to internal borrowing with a steep rise in the note issue, and a decline in the value of the *milreis* which Fuschini hoped to defend. The change did nothing to allay discontent in Portugal, and little to reduce the hostility towards Britain: in 1899 the British minister in Lisbon could write that 'seven years of ceaseless effort to recapture the friendship of Portugal have not succeeded in eradicating this sentiment'. Vieira de Castro, who cites this view, asks whether Portugal appreciated what King Carlos attempted to do, and replies that it would be hard to say yes: 'the republicans appealed to the basest popular instincts, and the monarchist opposition preferred to

be the accomplices of anti-dynastic agitators rather than come to terms.<sup>7</sup> Similarly the *Anno Politico* for 1895 observed that popular animosity stirred up against Britain was unrealistic: the Portuguese had forgiven the French for sundry acts of aggression from Junot onwards: they should cease to hate Britain and see her as guided by self-interest and imitate the example.

The 'Berne Award' hung over successive governments, while speculators from various countries put forward plans for gaining control of the railway and port of Lourenço Marques if the Portuguese should see fit to mortgage it. Rosebery had consulted his law officers, who decided that the right of pre-emption included the use of these assets, since successive alienations would compromise sovereignty itself. It was therefore in the British interest to preserve the existing state of affairs.

Projects to take over the troubled railway were current in the Transvaal in 1893, or so Rhodes reported. He himself had failed to obstruct the Anglo-Portuguese Treaty of 1891 and now sought to achieve his ends by more commercial methods. But the schemes for an eventual purchase were of Boer, Dutch and German origin, and when in September 1894 the British government suggested an agreement against the granting of any future concessions, Hintze Ribeiro felt it unnecessary to respond. Soveral told Rosebery that the future Award might make it necessary to sell the railway, and in that event he would recommend an approach through Rothschild rather than through syndicates which hoped to make a profit by selling it to the Transvaal or the Cape. In September 1894 there occurred the Mahazul rising which for a moment seemed to threaten Lourenço Marques itself. The British consul, having refused a Portuguese guard, landed a body of bluejackets to guard his consulate without first obtaining permission of the governor, for which he was rebuked. The appearance of a British warship was followed by that of two German ships and more British, after which the rising died down. The Germans blamed Rhodes as the instigator, for which Warhurst could find no evidence. Soveral is quoted as observing that anyone would think that the natives read the Cologne newspapers, from the sudden end of the incident. Perhaps more perilous was the suggestion

that the governor should receive the support of the volunteers from the Transvaal. He was duly warned that this was precluded by the Anglo-Boer convention. However in October 1894, the German ambassador in London, Count Herzfeldt, told Kimberley that if the Portuguese territories were broken up, Germany could not allow them to become British.<sup>8</sup> The sending of the ships which Warhurst calls the first appearance of the German navy in these waters for a long time, was to defend 'the large German interests involved, both on the coast and in the Transvaal'. When the much discussed railway was inaugurated in the spring of 1895, a group of German naval officers visited Pretoria and the Kaiser sent President Kruger a telegram welcoming the railway as a means of drawing the two countries closer.

In June 1895 the split in the English Liberals enabled Salisbury to return to power with the support of the Liberal Unionists. Their leading light was Joseph Chamberlain who took the office of Secretary for Colonies. He was the most forceful character in the government, and his personal position was strengthened in October 1896 when Gladstone emerged from his retirement to declare at Liverpool that the threat of a European war was a 'phantasm' and Rosebery replied at Edinburgh 'I believe it is no phantasm at all' and resigned the leadership of the Liberal Party. Salisbury again combined in himself the offices of Prime Minister and Foreign Secretary, making his nephew A.J. Balfour under-secretary for Foreign Affairs. East Africa, where the chartered company was unable to discharge the functions expected of it, was placed under the Foreign Office.

In Portugal Hintze Ribeiro had held elections in March 1894. The Progressists of José Luciano de Castro abstained, so that Hintze had a large majority in the lower house, but not the upper. The protest was to defend the unwritten convention of rotativism, but the opposition now formed a 'liberal union' with the republicans, which had the ultimate effect of undermining the monarchist parties. At the same time, national self confidence was restored as a younger generation of soldiers, chief among them Mousinho de Albuquerque, established their authority in Moçambique by capturing the native

potentate Gungunhana at Chaimite. Mousinho was lionised in Portugal, and Gungunhana spent his remaining days in exile in the Azores. This was in contrast with the end of Lo Bengula who perished in resisting Dr Jameson and his machine guns.

The latent crisis was almost brought to a head in the last days of 1895 when Dr Jameson, with five hundred men and eight machine guns, attempted to invade the Transvaal. He had supposed that the numerous guest workers in Johannesburg, deprived of civil rights under Boer law, would rise. They did not, and the raiders were easily defeated and captured. On January 3<sup>rd</sup> 1896 Kaiser William II sent a telegram of congratulations and support which President Kruger acknowledged with gratitude. The telegram excited angry comments in the British press. The *Morning Post* declared that the nation would never forget the telegram. Salisbury himself remarked that Jameson's raid was folly, but the telegram even more foolish. The historian G.P. Gooch thought it the most disastrous error in the early years of William II. Rhodes ceased to be Prime Minister of Cape Colony, Chamberlain admitted knowledge of a plot to overthrow Kruger, but claimed to have forewarned Kruger. He denied any complicity, though not all his telegrams to Rhodes were published in the ensuing enquiry. The German minister in Lisbon demanded that men be landed at Lourenço Marques to defend German interests, but the Portuguese government resisted his peremptory tone. In Germany one of those who opposed the telegram was Admiral Tirpitz on the ground of British naval superiority. William II had often expressed his admiration for the British navy which he was now resolved to match.

The international tension generated by the raid and the Kaiser's telegram suspended for the time being any attempt by the Germans to reach an agreement with the British government. It did not stop other plans, and it generated sympathy for the Boers. At Pretoria it naturally strengthened the position of Kruger and his influence in the Orange Free State. But good relations with Germany had been a priority with Salisbury, whose previous treaties had respected German colonial demands. Already in November 1894 Dr Kayser had asked why could not these (African) affairs be settled by

a fresh Anglo-German treaty and Kimberley brushed aside the idea.<sup>9</sup> With the return of Salisbury and the relaxation that followed the Jameson affair, the time now seemed ripe.

In the preceding events France played no prominent role<sup>10</sup>. However, as the principal creditor of the Portuguese and the prospective source of new loans, the French had a key part to play. In November 1896 Soveral, still minister, sent Sousa Rosa as his agent to London to discuss a loan with Alfred Rothschild who could not undertake the operation but promised to sound other financiers if provided with a statement of the existing internal and external debt and plans for conversion.<sup>11</sup> Sousa Rosa found the response encouraging and went on to Paris. On January 29<sup>th</sup> 1897 he reported that the head of the French Syndical Chamber wanted better terms in return for a conversion, that the process would be lengthy, and that the question of the Miguelite loan (which no liberal Portuguese government had ever admitted) might make agreement possible.<sup>12</sup> On 1<sup>st</sup> February he reported being told that a plan for conversion would require the approval of the bearers, and that the intervention of bankers would be inadmissible, and would cause the Bourse to refuse a quotation. The Hintze Ribeiro government resigned, and power passed back to the Progressists. The cause is usually given as the refusal of King Carlos to create sufficient new peers to give the Regenerators a majority in the upper house. But the majority in the lower house was due only to the abstention of José Luciano and the Progressists. A letter from Anselmo Braamcamp Freire, nephew of the former Prime Minister and founder of the Progressists, shows that he was more concerned for the monarchy than Salisbury had been. (No 163). José Luciano de Castro was not himself experienced in foreign affairs, but rather a lawyer who specialised in local politicking. He had sounded Barros Gomes (who did not at once enter his cabinet owing to ill-health) and he had replied on December 15<sup>th</sup> that the nation would not allow the government to pull out of Africa or to alienate the contentious railway: yet the treasury was in a dire state and the dilemma overwhelming. (No 167). The reply could not have been encouraging. José Luciano took the step of appointing Soveral ambassador in London where he began discussions with the British government in the spring. Salisbury accepted his assurance of

the determination of the Portuguese to maintain the existing state of Moçambique, and observed that the presence of a British warship at Lourenço Marques constituted no threat to Portugal, but served only as a warning to the Transvaal to adhere to the terms of the London Convention. Soveral noted Salisbury's readiness to guarantee the integrity of the Portuguese possessions and suggested parallel talks with his government on political issues and with Rothschild on financial issues (April 30, Correspondence, No 172).

Soon after in May Barros Gomes was sufficiently recovered to join the Portuguese cabinet, though at Colonies rather than Foreign Relations, which remained with Veiga Beirão. The idea of an international loan such as Rothschild had broached with Sousa Rosa had not been set aside. It had been scouted by the French and when the Lisbon banker Count Burnay turned up in London at the end of May with authorisation from Barros Gomes to explore the possibility of involving British bankers, Soveral left no doubt that any such scheme was totally incompatible with what he was doing. (No 173). Chamberlain had proposed a guarantee of Portugal's possessions in return for an agreement under which there would be no access through Portuguese territory to the Transvaal except through Lourenço Marques, where the railway and port would be controlled by a mixed company, which would find funds for the expected Award.<sup>13</sup> The African possessions would then serve as a mortgage for a loan. But the Portuguese government was not prepared to go so far for fear of provoking hostility. It was prepared not to assign the revenues of Lourenço Marques in any financial operation, but not to do anything derogatory to Portuguese sovereignty, such as British consent for any concession. When Soveral suggested other means for securing a loan Chamberlain pointed to the existing position as contrary to this. The Portuguese government then allowed the matter to drop. Soveral had been convinced that the project he discussed posed no threat to Portuguese sovereignty. The Progressists who, like the republicans, had taken their stand on national sovereignty and had freely accused the Regenerators of conniving at a dictatorship, took a different view.

In the course of the winter of 1897-98 it became apparent that neither German nor French investors would make a new loan with anything less than a loan on the Lourenço Marques railway and port, and in January Soveral returned to the task of persuading his government that they could obtain a guarantee of their African possessions in return for practical but not political administration of the port. He was supported by Mousinho de Albuquerque, now Governor, who had visited Germany and had been struck by the growth of militarism; he too favoured an agreement with Britain and visited London for talks with Chamberlain and Balfour in March.<sup>14</sup> The Portuguese government had hoped to defer a decision until the terms of the Award were known, but the present need was to pay off a short term debt to the Credit Lyonnais, for which Rothschild would have required a guarantee from the British government.

Soveral returned from a visit to Lisbon in May and the discussions were resumed. On June 14<sup>th</sup> the German Ambassador called on Salisbury and asked to be informed of their course. Salisbury replied that he was not au fait with the details, but was desirous of remaining on good terms with Germany and would in due course inform him of any steps that might concern the legitimate interests of Germany. A week later, Hatzfeldt asked whether Salisbury would join in a common approach. Salisbury replied that the financial dealings with Portugal were the exclusive concern of the two powers: he had no details, but if he had, he would not consider them a subject for communication with Germany. His motive was to maintain the existing state of affairs and prolong the life of Portugal. If he failed, it might be proper to have communication with Germany. He then asked what Germany wanted and was told that Hatzfeldt did not have any precise instructions. Salisbury referred to the ancient treaties with Portugal, which contained stipulations that were still binding as well as details that might have become antiquated. Salisbury recalled 'much indefinite conversation'. Hatzfeldt felt that he had conveyed in friendly but emphatic manner that the transfer of Portuguese sovereign rights to Britain would produce a very bad impression in Germany.<sup>15</sup> Von Bulow then decided to insist on Germany being consulted, and instructed Tattenbach, his minister in Lisbon, to seek an interview

with King Carlos. The King returned from the Alentejo to find Tattenbach in full military rig with a demand to be associated with the negotiations under pain of forfeiting the Emperor's friendship. Soveral reported Tattenbach's interview with King Carlos and Salisbury gave the gist of his conversation with Hatzfeldt: if any alienation should occur, Germany must be consulted. Soveral pointed out that no alienation was proposed, and Salisbury cited Hatzfeldt as saying that the pledging of custom duties as surety for a debt was of the nature of an alienation, which he did not accept. Soveral then asked for Salisbury's view of the ancient treaties and Salisbury replied as above. Soveral said that the French minister in Lisbon had also protested.

The Correspondence given in *British Documents* is now supplemented by Soveral's telegrams in José Luciano's correspondence. On June 15<sup>th</sup> he reported Chamberlain's anxiety to get the treaty completed as quickly as possible, on the basis of a direct loan, a mixed company and no other access to the Transvaal. An exchange of notes would confirm the validity of the treaty of 1661 (No 179). It is thus clear that the clause obliging Britain to defend the Portuguese colonies was already under consideration. Soveral required to know urgently what sum was needed and what receipts would be earmarked. He had also seen Salisbury who told him of Hatzfeldt's enquiries: German intervention could only be averted by a quick decision. This was not achieved. *British Documents* shows that on June 29<sup>th</sup> Soveral brought a telegram which set the sum at £8m, a quarter for the railway and port at Lourenço Marques, secured by its custom duties of £300,000 p.a. and the rest to pay off the floating debt and other needs, assured on the customs of Portugal. Salisbury noted that the advantages did not seem very great, and Soveral said that they included partial control of the port and railway. A week had passed. On June 22<sup>nd</sup> Soveral had telegraphed Lisbon: Salisbury had consulted his cabinet about Hatzfeldt's demand: with its present agreement he had replied that the negotiations implied no derogation of Portuguese sovereignty and that Britain was bound by the old treaties. Soveral was without instructions in perhaps the gravest situation that Portugal has known. He was aware of Tattenbach's intervention but not of the language

he had used. On the same day he reported an interview with Salisbury who confirmed his readiness to defend Portugal, while Chamberlain urged the need for haste and for a statement of Portuguese requirements. On June 27<sup>th</sup> he received an alternative plan, details of which are not given, but which he had no doubt would prove unacceptable: any agreement must be in reference to the port and railway at Lourenço Marques. Salisbury firmly intended to observe the treaties and defend Portugal against aggression. Hatzfeldt far from showing solicitude for Portuguese territory, showed a cynical intention to share in its break up. If Portugal did not reach agreement, Britain must respond to German demands, to the detriment of Portugal. He hesitated to put forward the plan sent because it constituted a yielding to German demands. On the evening of June 29<sup>th</sup> he reported that he had again seen Salisbury and had set forth the alternative plan. Salisbury repeated his readiness to abide by the existing treaties; the presence of a British warship in the Tagus showed his firm intention to repel aggression. If Portugal did not need money, the best solution would be to maintain the existing state of affairs. If she could not meet her obligations and wished to avoid a diplomatic conflict, he saw nothing for it but a triple agreement with Britain and Germany: he was ready to negotiate an agreement by which Germany would not make difficulties about an agreement with Britain, but Germany would doubtless seek compensation: he added that France had nothing to do with the case. (No184).

At that moment Hanotaux, who had allowed himself to join in the German protest, was replaced in France by Delcassé who, on being approached by Sousa Rosa, said that he knew nothing about the matter, but asked to be informed. Soveral saw Chamberlain on July 4<sup>th</sup> and suggested an interview with Salisbury the following morning, adding that if nothing were done difficulties would arise. Replies were needed. Hatzfeldt had hardly left the Foreign Office in recent days.

On July 6<sup>th</sup> Soveral reported a lengthy interview with Chamberlain who told him that there were two streams of thought. The first that Britain should support Portugal, give her what she

needed and guarantee her possessions; the second to await a financial or other crisis, in which Britain would exercise her supremacy in East Africa and incur no responsibilities or risks. He was of the first opinion, and the whole cabinet would support an immediate agreement against any protests or threats from other parties. If Portugal agreed and accepted he would let Germany participate proportionably in the loan: she wanted pre-emptive rights in East Africa, and this could be granted against a guarantee of the integrity of Portuguese sovereignty over all her African territories. A decision required to be made before Parliament rose at the end of the month. Inaction had become impossible; it would lead to German and French interference in the Portuguese nation, and give currency to the view that she was deluding Britain by negotiating with Germany and France. Soveral was impressed by Chamberlain's tone and thought the crisis too grave to be resolved by any one party alone. The same evening he saw Salisbury who told him that Germany was aiming with France to get control of Portuguese finances, which would constitute an indirect way of disposing of Portuguese territory. The German Ambassador was waiting to see Salisbury. Outside, Soveral found Balfour who took him home and stressed the absolute need for an agreement. In Soveral's opinion Germany aimed beyond mere pre-emption. The only country with an interest in preserving Portuguese autonomy was Britain. (No 188).

Already on June 23<sup>rd</sup> Hatzfeldt had responded to Salisbury's inquiry by formulating German demands for a parallel loan with two alternatives, first to agree places where receipts were collected, which would decide the fate of such places in certain eventualities, or else the abandonment by Germany of Delagoa Bay and territories south of the Zambesi, and the reservation for her of territory north of the Zambesi, as well as Angola and Portuguese West Africa, these rights coming to maturity only if Portugal 'fell to pieces'. Salisbury doubted if these large demands offered the basis for any agreement. Hatzfeldt professed readiness to hear objections.<sup>16</sup>

The two suggestions were in reality one, the second defining the extent of German demands. They clearly implied that the Kaiser was prepared to abandon the Boers, but that the price would be high.

They were evidently preposterous. But it was only on June 29<sup>th</sup> that Soveral was able to state the sum required by his government.

On July 9<sup>th</sup> Hatzfeldt urged on Salisbury the need to reach an urgent decision because France was trying to 'make mischief'. Salisbury refused to make any agreement which would wound Portugal and suggest that they were conniving at her downfall. Hatzfeldt protested that Germany had no such views, but was very anxious to maintain Portugal: she simply wished to share in a loan with agreed security. Salisbury noted that the demand would include Blantyre, which was out of the question. The general effect of this conversation on Salisbury was that Germany wanted an agreement of some kind, but was making extravagant demands to get it. All that Salisbury was prepared to offer was that if Britain made a loan, Germany would not object to British securities, and vice versa (*British Documents*, 56). On the same day Soveral reported that his government had decided to abandon the idea of a loan with the African possessions as security. Salisbury noted that the financial position of Portugal might lead to a demand for control of her finances by some powers, as in the case of Greece, and that Britain would resist this.

When Soveral saw Chamberlain on July 15<sup>th</sup>, the latter regretted that no agreement had been reached. Salisbury noted that in this and other matters the concord between Salisbury and Chamberlain was more apparent than real. Salisbury thought that nations might decline beyond hope of rescue. Chamberlain did not. Those that perished committed suicide. Chamberlain and the majority of the cabinet were for a direct loan which would end dependence on French usury, with a guarantee of Portuguese Africa without any prejudice to her sovereignty. But this was now old history. (No 190).

This was the background for the Anglo-German secret agreement which was concluded by Balfour while Salisbury was on holiday in France on August 30<sup>th</sup> 1898. Hatzfeldt had continued his pressure for an agreement, and Salisbury had stated that any changes of territorial ownership were wholly contingent on abandonment by

Portugal, which he earnestly deprecated: any agreement would need most careful drafting, and be acceptable to Portugal. This is not the place to consider the Anglo-German negotiations. Hammond condemns them as cynical and as a concession to blackmail, the work of the forceful amateur Chamberlain and the sceptical amateur Balfour, without proper consultation of the departments concerned, citing Sir Eyre Crowe on Timor: 'that... arrangement would never have been made if the departments concerned had been properly consulted'.<sup>17</sup> Salisbury had 'salved his conscience by not actually signing the agreements'. But this is not quite the whole story. The 'secret convention' did provide for a division of territory which would serve as security for a loan in which Britain and Germany shared; it also opposed intervention by a third party by way of a loan secured on the customs revenue or territory of Portuguese Africa, should it 'unfortunately not be found possible to maintain the integrity' of the possessions. Hammond notes that 'the course of the negotiations has long been familiar to scholars' since the main documents, British and German, were printed in 1927 and 1924. But as Hammond shows, it was Salisbury's belief that France had no interest since her African possessions were not co-terminous with those of Portugal, adding 'we should certainly try to come to an amicable agreement with Germany.' The effect of the Anglo-German negotiations was to drive the Portuguese government to seek a financial settlement with France without recourse to Africa, and this was presented on July 31<sup>st</sup>. Except for the still unknown contingency of the Berne Award, the Portuguese had already averted the danger of partition anticipated in the Anglo-German secret agreement. The Anglo-German negotiations were thus precipitated by the association of France with Tattenbach's protest in Lisbon, and by Salisbury's consistent preference for agreement which should neutralise German pretensions.

The 'secret convention' could hardly have remained a secret if it had led to negotiations for a loan. Soveral later said that he had known all about the negotiations from the beginning, and added that they were settled at Alfred Rothschild's house by Chamberlain and Eckardstein, then German First Secretary.<sup>18</sup> When Salisbury returned to England, it was the intention of the German government to foist a

loan on Portugal in collaboration with Britain and to prevent the French alternative. Hatzfeldt then stated that Portugal should be informed of the Anglo-German convention lest she accept unwittingly an agreement with France without the knowledge of Britain and Germany, which were obliged to resist a French participation by force if necessary. Salisbury noted that he had expected this: the Germans were not content to await events but wanted to force the pace of destiny. He would not convey the message to Portugal until he knew of the terms Germany would offer: 'they will be of the Shylock school'.

Balfour had informed Soveral of the public part of the Anglo-German convention, and this was reported by Soveral on September 4<sup>th</sup>, but only in the sense that Britain and Germany had reached an agreement to avert complications in southern Africa: if Portugal sought a loan without funds on the most favourable terms. (No 192). A letter from Veiga Beirão to José Luciano of September 15<sup>th</sup> shows that Tattenbach was pressing for the rapid conclusion of a loan. (No 194). On November 7<sup>th</sup> Soveral reported a long conversation with Chamberlain who had requested it. Chamberlain said that the Anglo-German treaty had been provoked by the refusal of the Portuguese government to a direct agreement with Britain: its purpose was not against Portuguese sovereignty in Africa, but to forestall contingencies and to enable the Portuguese to order their finances without recourse to usurious operations: he understood their reluctance to conclude a direct loan, but this could be done indirectly. Neither France nor Germany was concerned about the future existence of Portugal, as Britain was. He urged an agreement with Britain. Here Soveral alludes to the mobilisation of the armed forces at Plymouth<sup>19</sup>

From this point, the *Correspondência* gives no further communications from Soveral, whose resolution did not diminish despite the hesitations of his government and the continuing pressures of interested parties.<sup>20</sup> In November he was able to tell Salisbury of negotiations in Paris for a loan secured on Portuguese assets without reference to the colonies, and Salisbury expressed his agreement. However these negotiations dragged on until January

1899 chiefly, it appeared, because of German attempts to prevent this solution. The events are summarised by Warhurst: 'the Anglo-German convention meant different things to the two powers. To Britain it was, to use the expression of Chamberlain who fought to prevent it, 'blackmail'. Britain had virtually surrendered her pre-emption over Delagoa Bay for a promise of non-interference in the Transvaal.'

It is not here possible to follow the negotiations that ensued. As Warhurst remarked in 1962 'it is important to bear in mind that all the governments were not only receiving much one-sided information, but also that this influenced their policies'. The phrase of the Blafour-Hatzfeldt secret agreement ran 'Great Britain and Germany agree jointly to oppose the intervention of any third power in the Provinces of Angola and Moçambique, either by way of a loan to Portugal... or otherwise.' This clearly has the French negotiations in view and Salisbury before leaving had expressed the view that an agreement with Germany was desirable, with the consent of Portugal, while stressing that his object was to maintain the status quo. He had already warned Soveral that a proposal for a control after the fashion of Greece was very likely to come 'from some other power' and that he would resist it. He also stated that the changes of territorial ownership were wholly contingent on their abandonment by Portugal - 'a contingency we most earnestly deprecated', and agreed with Hatzfeldt's small modifications 'subject to the condition that they were accepted by Portugal'. He stated later that he would not have signed the document as agreed by Balfour. It is indeed strange that he should have left Balfour the power to conclude the agreement, if characteristic that he accepted what was done in his name. The Kaiser expected Britain's assistance in Warhurst's words 'if not to hasten the end of the Portuguese empire, at least to do nothing to delay that event.' On Salisbury's return, Hatzfeldt pointed out that if Portugal were not warned, she might unwittingly commit herself to France in a way that would infringe the secret agreement, and must be opposed, by force if need be. Portugal was duly warned. Tattenbach then urged her to accept an Anglo-German loan. At first the British Chargé associated himself, but when Tattenbach began to press he was warned to

desist. The attempt of the Kaiser to foist a loan on Portugal continued until May 1899, when part of the Kiel squadron was ordered to Lisbon. Its arrival was preceded by part of the British from Gibraltar. What might have been a naval demonstration became a mere visit, and no more was heard of the proposed joint loan.

The Kaiser regarded the secret agreement as a means to an end, the acquisition of the Portuguese colonies, while Salisbury did not fail to make it clear that Britain would maintain the integrity of Portugal and that the convention would only have effect if this failed. Warhurst in 1962 thought that Britain gave up her pre-emptive rights over Delagoa Bay in return for the Kaiser's abandonment of the Boers. It is not clear that Britain did this, though the negotiations showed that he was prepared to abandon the Boers at a high price. Hammond in 1966 refers to the 'moral obloquy' of Balfour's convention, and cites the disapproval of Sir A. Nicholson and Sir Eyre Crowe: it was a piece of amateurish diplomacy in which the professionals were not properly consulted. These judgements contain a strong element of hindsight. In 1898 Chamberlain, in particular, was anxious to put an end to the Kaiser's protection of the Transvaal and Balfour, the less strong character, took the decision in Salisbury's absence. Soveral implies a difference of opinion in the British cabinet which does not emerge from the *British Documents*. Salisbury's return restored the balance, and characteristically his 'attitude in this instance, like his attitude towards the Boer War, was that of a slightly detached observer'. (Hammond, 256).

It fell to Soveral to undo the implications of the Anglo-German agreement. He informed Salisbury of the progress of the negotiations for a loan in Paris. Having no competitor, the French pitched their demands high, obtaining control of an important part of the Portuguese economy.<sup>21</sup> But, as Salisbury told him, the Portuguese government was free to make whatever arrangements it wished. Soveral thought that Portugal would be able to manage with a loan, but was apprehensive lest Germany and France should together attempt to force one on her. Salisbury referred to the ancient relations with Portugal, he would not view this with indifference.

But at the end of May, the prospect of armed conflict with the Boers drew closer, as Lord Milner (himself the son of a German) reported the failure of the discussions with Kruger. It became increasingly necessary to prevent the supply of arms to Pretoria, which could be made only through Lourenço Marques. Since 1875 there had been free transit safe guarded by treaty. Salisbury who, in 1890 had so strenuously argued for freedom of navigation on the Zambesi, now found himself obliged to seek the close of Lourenço Marques. Soveral was not slow to see the opportunity to annul the secret Anglo-German agreement. The Kaiser had shown that he would not come to the aid of the Boers, whom he had so sedulously cultivated. In September when the outbreak of war was barely a month away, Salisbury asked that the passage of arms be suspended, referring to the Ancient Alliance. Soveral replied that in the event of war, Portugal would be fully on the side of England, and that she would require a guarantee not only against the Boers, but against the Germans. He pointed out that Lourenço Marques was within reach of a commando attack. Salisbury then asked him to suggest a form of words, and what was agreed was a secret agreement using the very terms of the marriage treaty of Charles II of 1661, with a reference to the closure of Lourenço Marques as required. It was a fitting climax to the career of the Marquis of Soveral: as Warhurst remarked 'the man to whom Portugal owed the most at this period was the Marquis of Soveral, who saw in the Ancient Alliance Portugal's only hope of salvation'. Warhurst's other judgements, made at a time when Cecil Rhodes' stock was a good deal higher than it now stands, are that 'Salisbury was unparalleled as a statesman, but Rhodes was unrivalled as an empire builder. Salisbury kept the peace in Europe, Rhodes spread British influence in Africa.' Warhurst admits that Rhodes was unscrupulous in his methods and could be utterly ruthless, but asserts that he was a man of high principle. Salisbury, he believes, 'was personally convinced that Portugal's empire was on the verge of a break up, but had too great a sense of honour to precipitate the event.' He praises Salisbury for his sincerity. Hammond, by contrast, is forthright in condemning Salisbury for cynicism in allowing his subordinates to sign an agreement of which he disapproved. These opinions now require some adjustment. If all power corrupts, all

politicians make mistakes. It is the patient and persistent work of the Soverals that enables them to be corrected.

1. I much regret to hear that Eric Axelson died in August 1998. He had recently completed a book on Vasco da Gama and South Africa. He was a familiar figure in Lisbon before the war. His researches on the Portuguese in south east Africa permitted him on his return to Natal to locate precisely the Portuguese *padrão* marking the furthest point reached by Bartolomeu Dias. It had been smashed and part was buried and part in the sea. It was restored and now forms part of the collection of the *Sociedade de Geografia*. Axelson was an outstanding scholar and Professor of History at Cape Town.
2. Axelson, 241
3. Warhurst, *Anglo-Portuguese Relations*, gives an outline
4. The reason for the outbreak in Oporto, when the rest of the country had calmed down, was the publication by Consul Graufurd in Blackwood's of his article expressing the view that Portugal should not have colonies: he was a close friend of Johnston. See my note *Consul Graufurd and the Anglo-Portuguese crisis of 1890, Portuguese Studies, London, 1991*.
5. Axelson summarises foreign views, p. 233. The Swedish King thought possession of a few square miles of Africa small consequence compared with the undermining of the monarchical principle, which Salisbury was content to ignore. The Berlin Act required mediation under article 12, but he rejected this because the area was not included under article 1 and because the Portuguese had infringed the act by sending in many thousands (!) of armed men. (If the area was not included, they were presumably not precluded from doing so.)
6. Hammond, 201
7. Dom Carlos, 130
8. British Documents, L, 323
9. Hammond, 201
10. A. Silbert. *A Crise Portuguesa de 1890-1891* (1993) reprinted in *Portugal na Europa Oitocentistas*, 1998, 119 ff. Says 'the Portuguese events of the end of the last century seem not to interest the French very much'. He considers reports of the French minister and speculates on the reasons why the French republic showed 'insensitivity, lack of interest, timidity (p. 136) towards the Portuguese republicans.

11. Sousa Moreira, *José Luciano de Castro, Correspondência politica*, 1997, No 166. The selection of 270 letters from the correspondence of the Prime Minister is only part of the archive stored at Curia.
12. *ibid.*, No 168
13. British Documents, I, 44, No 65, as summarised on May 1<sup>st</sup> 1898.
14. Hammond, 249
15. British Documents, I, pp. 48
16. British Documents, I, 52
17. Hammond, 252
18. Hammond 253-254
19. *Correspondência*, No 200. The note refers to preparations against the Boers. In fact naval preparations at Plymouth probably had a different object.
20. The hesitation doubtless reflected differing opinions among the Progressists. One, Vaz Frete, considered the financial problem paramount, and that all debts should be cancelled, even at the expense of selling one of the colonies: he recognised that the government would not risk so extreme a solution.
21. Some assessment is made by Hammond, but constant changes of direction render general statements hazardous. At one stage small short term loans were made at 20 to 25% against deliveries of colonial goods.

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