

## The Marquis of Pombal and the British

The Marquis of Pombal was a man of many contradictions. He has rightly been referred to as a dictator, being enabled to be so in part by the weakness of King José I, and he was at times extremely vindictive, as most dictators are. On the other hand, he undertook a range of actions that, arguably, did much to improve the economy and life of Portugal. His relations with the British traders were complex: he resented their commercial power and the lack of a competing Portuguese commercial sector but, at the same time, he was happy to work with individual Englishmen when it suited his purposes, and even became friends with some of them. The article considers Pombal's time in London as Portuguese ambassador; his dealings with the British Factory members in Lisbon prior to and immediately after the 1755 earthquake; his efforts to reform the port wine industry; and, finally, his relationships with two English businessmen.

*By Andrew Shepherd*

### Early life

Sebastião José de Carvalho e Melo (from 1759 the Count of Oeiras and from 1769 the Marquis of Pombal, hereafter referred to as Pombal) was born in Lisbon in 1699. His father, Manuel de Carvalho e Ataíde was a cavalry captain who owned property near Coimbra and was distinguished by the title of *Fidalgo de Provincia*. His mother was Theresa de Mendonça e Melo. Pombal studied law at the University of Coimbra but then left university after one year to begin a military career in Lisbon, using family connections to get the position. Disillusioned with the army, having only become a corporal, he left and dedicated himself to the study of history and law. An ambitious man, he tried to make himself conspicuous in the capital, with the aim of being accepted by the aristocracy, but his origins were too modest for this to happen. His only means to be acknowledged by the nobility was through marriage and, in 1723<sup>1</sup>, he married a childless widow, D. Teresa de Noronha e Almada, despite objections from her parents, eloping to his family home near Coimbra.



**Sebastião José de Carvalho e Melo,  
1st Marquis of Pombal and 1st Count of Oeiras**

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<sup>1</sup> Sources differ regarding the actual year of the marriage. The English historian, Marcus Cheke, the *Encyclopedia Britannica*, and the Portuguese writer, J. Lucio Azevedo, suggest that it was 1733, but most other sources suggest that it was 1723.

The couple eventually returned to Lisbon. Pombal was able to obtain a position in the newly founded Academy of History, where he wrote a text on the lives of Portuguese kings. In 1738 he was appointed to the position of ambassador to Great Britain, as a result of the intervention with the king of the prime minister, Joao da Mota e Silva, the Cardinal-Patriarch of Lisbon. He had been recommended to the cardinal by his uncle, Paulo de Carvalho, a Coimbra University professor. The following year his wife died, having been too sick to accompany him to London, leaving him with a significant inheritance.<sup>2</sup> This, combined with inheritances from his father and his uncle, including a country house near Pombal and land at Oeiras, where he later built his palace, strengthened his financial position and status.

### **Ambassador to London**

Arriving in London in 1739, the first issue to which Pombal turned his attention as ambassador was that of the island of Salsete, close to Bombay (Mumbai). Salsete was at that time controlled by the Portuguese but was constantly under attack from the Maratha Indians. In response to Pombal's requests for assistance to defend the island, Sir Robert Walpole was told by the British East Indian Company, which controlled Bombay, that it had on several occasions gone to the support of Salsete, but had never received any financial compensation. After consulting with Lisbon, Pombal's response was that the payment demanded was exorbitant and that defeating the Marathas should be in the best interests of both countries. He also flatly denied another Company allegation, that the Portuguese on Salsete had been harbouring a pirate fleet. In the end, a Portuguese fleet succeeded in liberating Salsete, and the matter went no further.

The next major issue occurred in 1740 when Britain became involved in the War of Spanish Succession. British attempts to get Portugal to join the war failed and its neutrality caused British naval vessels problems as Spanish ships would retreat into Portuguese waters where, theoretically at least, they were immune from attack. When the British captains ignored Portuguese neutrality, Pombal pointed to an Anglo-Portuguese treaty of 1702 in which it was expressly agreed that no hostilities should take place in Portuguese waters. While the British government agreed to instruct naval captains not to take action in Portuguese waters, it refused Pombal's request that the clauses of the 1702 treaty should be included in the message, arguing that there was no guarantee that Spanish vessels would also respect Portuguese neutrality. This issue took up much of Pombal's time for two years. He presented the British with 19 complaints of infractions and threatened to break off diplomatic relations, but London correctly surmised that Portugal was too weak for him to carry out these threats. The issue of the British navy ignoring Portuguese neutrality was to come up again in 1759, when Pombal was prime minister.

On neither of these issues did Pombal have any appreciable success. However, he did make his mark as a strong advocate for his country, and one who was prepared to use less-than-diplomatic language to advance his cause. Despite never learning to read English, French being the language of diplomatic discourse at that time, he also put his time in London to good use by studying commercial practices and developing an understanding of why Britain was becoming more prosperous when Portugal was not. He dedicated himself to analysing the situation of Portuguese dependence on England, having been immediately struck by the contrast between the dynamic British economy and that of Portugal, which was dominated by the Catholic Church, with Lisbon being "*one huge monastery*", having "*manners and customs inherited from Moorish occupation*".<sup>3</sup>

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<sup>2</sup> The date of his first wife's death is also disputed. Most sources say that she died in 1739 while he was in England but Cheke writes that Pombal received word of her death while he was in Vienna, to where he went in 1745.

<sup>3</sup> Cheke, p. 25

Pombal began to understand how one-sided the 1703 Methuen Treaty and previous commercial treaties had turned out to be, because the main beneficiaries had been the Porto and Lisbon Factory House members. While the rights given them were, in theory, reciprocal, there were few Portuguese businessmen in Britain to take advantage of those rights, which were not, anyway, being given to them. He compiled a list of grievances of the Portuguese in Britain. Historians have concluded that without the commercial understanding he developed while in London he would not have taken most of the measures he did when he became chief minister to King José I from 1755.

When ambassadors left London at that time, it was customary for the British to award them a present. This was either £300 or £500 depending on the importance of the country. Despite the financial difficulties that he was facing, Pombal refused to accept £300, arguing that the Anglo-Portuguese Alliance gave his country a higher status. The £300 remained in London. It is recorded that the British ambassador in Lisbon wrote to London recommending that the money be used on jewellery to present to Pombal's wife, although this does not appear to have happened.

Back in Lisbon, Pombal spoke out on the iniquities of the commercial treaties between the two countries, leading to the British Ambassador, Sir Benjamin Keene, to perceptively observe, in a letter talking about Pombal, that "I find that we shall have a great deal of trouble, and vexation".<sup>4</sup> Another area of interest of Pombal was that of the development of a Portuguese company similar to the British East India Company. In fact, he recruited an Englishman called Cleland to run it. However, he was met with indifference on this matter by the man who had appointed him in the first place, Cardinal da Mota.

In 1745 Pombal was appointed as a special envoy to Vienna to mediate a problem that existed between the seat of the Holy Roman Empire and Rome. This sensitive appointment was seen by some as an indication that Pombal was highly regarded: Pombal on the other hand considered that it was to enable the government to brush the proposed Portuguese East India Company under the carpet. However, all was not negative for him in Vienna. He met Eleonora Ernestina von Daun, who became his second wife. They had five children: one grandson would become the Duke of Saldanha.



**Eleonora Ernestina von Daun, Marquise of Pombal**

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<sup>4</sup> Cheke, p. 41

## **Pombal's dealings with the British in Lisbon**

After resolving the dispute between Vienna and Rome, Pombal returned to Portugal in 1749. Maria Ana of Austria, wife of the previous king (D. João V), intervened in favour of Pombal and he was appointed Secretary of State for Foreign Affairs and War in 1750 when D. José I became king. D. José is generally believed to have been a weak leader who was more interested in his leisure activities and in women other than his wife than in governing the country, and this enabled Pombal to become extremely powerful. Following the 1755 Lisbon Earthquake and accompanying tsunami, he was made Secretary of State for Internal Affairs and, as is widely known, oversaw the recovery of the country from this terrible event, including the extensive redesign of Lisbon.

British traders in Portugal, primarily Lisbon, went back to the 14<sup>th</sup> century. They formed a variety of organisations and, eventually, the “English Factory” became a legal entity, with the British Consul-General serving as its presiding officer. Disputes between English and Portuguese merchants were settled by a special Judge Conservator. Membership of the factory was essential for English traders, who had to pay an annual tax depending on their imports. The 1654 trade agreement between Portugal and Cromwell’s England guaranteed the English traders the same liberties, privileges and exemptions as Portuguese merchants and also, in a secret clause, specified that they would not have to pay import duties above 23% on English products. This was the same agreement that permitted religious freedom and eventually led to Protestant churches and cemeteries. However, it was not so much the trading activities that came to cause resentment among the Portuguese but the way in which the British community organised its commercial activities, being, in effect, answerable to the British authorities rather than the Portuguese.

The 1703 Treaty of Methuen was a short and concise treaty, solely containing commercial clauses. It extended existing arrangements that gave Portuguese wine preferential access to Britain and, in return, revoked a ban on the importation of woollen cloth from England into Portugal, which had earlier been insisted on by Portugal as a means of encouraging domestic production of cloth. This could never have pleased Pombal as it effectively destroyed the Portuguese cloth industry and, after the earthquake, he took several steps to promote domestic industries, including new cloth mills. However, the main problem with developing the country’s industrial sector in the first half of the 18<sup>th</sup> century had been the flow of gold and diamonds from Brazil, which enabled Portugal to easily pay for imports and not have to worry too much about domestic production, an example of what economists these days refer to as the “Dutch Disease”. To this can be added the mass migration of Portuguese to Brazil to prospect for gold, with some estimates suggesting that up to one-fifth of the population left. For Britain, on the other hand, trading with Portugal was highly beneficial. Some calculations suggest that between half and three-quarters of all gold arriving in Lisbon found its way to England. This contributed to the monetisation of the economy, the “solvency of the British Empire”<sup>5</sup> and, perhaps, in the long run to the Industrial Revolution.

Despite Pombal’s known hostility to the inequities of the various trade agreements and, more importantly, the way in which English merchants abused the rules, Lisbon Factory members were confident that, in any argument with Pombal, they had sufficient influence with London to persuade the Portuguese to back down, for fear of ending the Alliance. But Pombal intended the rules to be obeyed. He discovered an ancient edict of Afonso IV that forbade the export of gold and silver on penalty of death and confiscation, and decided to apply it, while knowing all too well that the only way Portugal could continue to import would be to pay for those imports with Brazilian gold. In 1752, he authorised

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<sup>5</sup> Black, p. xi

the Lisbon Custom House to seize gold bullion belonging to the firm of Burrell, Ducket & Hardy. The Factory addressed angry letters to Whitehall, which decided to send Lord Tyrawley to negotiate.

James O'Hara, 2nd Baron Tyrawley had been ambassador to Lisbon for 13 years from 1728, returning to England with “three wives and 14 illegitimate children”.<sup>6</sup> He found himself broadly in agreement with Pombal, concluding that some Factory members were behaving unreasonably. He considered that Burrells were content to follow the legal process and that most of the disturbance had been caused by John Bristow, “who believed himself, without any reason, to have incurred special enmity of the Portuguese”.<sup>7</sup> Although complaining about suddenly not being allowed to export bullion, the British did not want the law forbidding it to be repealed because they had been making a fortune exporting gold illicitly for merchants from other countries. It was said to be no coincidence that British ships would arrive in Lisbon at the same time as Portuguese ships arrived from Brazil laden with gold. Tyrawley also noted that, under the 1654 treaty, preferential treatment for the British was extended for the trading of British products only, whereas the Factory members were actively importing products from other countries. Notwithstanding his personal views, Tyrawley did succeed in having the confiscated gold returned to Burrells, apparently following the intervention of Pombal who had concluded that the consequences would be too damaging if he tried to stop the bullion exports to Britain.

In 1753, following three years of bad harvests throughout the Iberian Peninsula, Pombal forbade the re-export of grain arriving in Lisbon port. There was famine in Spain and he was concerned that the high prices there would encourage exports, so exacerbating the situation in Portugal. The British Factory called a meeting to protest but this led to internal disagreements, with a trader called Shirley roundly abusing the British Consul, George Crowle, who considered there was merit in Pombal's case. For his behaviour, Shirley was banished from Lisbon by the Portuguese Judge Conservator of the Factory. This horrified the British Community who basically considered that the role of the consul was to be their mouthpiece with the authorities, and certainly not take the Portuguese side. Angry letters to London eventually led to Crowle's removal. Later, Pombal would address another of the causes of the wheat shortage: the practice of planting vines on land more suitable for wheat, mandating that the vines should be dug up. He also introduced a more scientific approach to agriculture by making recommendations about which soils and climates were suitable for different crops and animals.

In 1755 Pombal established the Grand Para Company, which was planned along the lines of the abortive Portuguese East India Company. The Company's members were to enjoy a monopoly of trade with Brazil and two naval vessels were allocated to protect the Company's convoys. The British were just one of the interest groups who opposed this, on the grounds that it conflicted with treaties between the two countries; other opponents were Portuguese businessmen not included in the arrangement and the Jesuits, who were forbidden to trade and also faced other Pombal-mandated restrictions in Brazil, such as no longer being able to have indigenous slaves. In the same year, five months before the earthquake, a Mr Humphrey Bunster, an officer of the Falmouth packet-ship, *Hanover*, was arrested in possession of £1600 worth of gold coin, which he was carrying for several British companies. The matter went to the courts and the money ordered to be confiscated, leading to a further breakdown in relations between the two governments.

The earthquake, itself, brought incalculable losses to the British, from which the Factory members never really recovered. Their warehouses and contents were destroyed and they found it impossible to collect debts, both because debtors used the earthquake as a reason not to pay and because the records had also been destroyed. Worse was to come for the Factory. Perhaps anticipating the decline in gold output in

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<sup>6</sup> Cheke, p. 80

<sup>7</sup> Lodge, p. 231

Brazil, Pombal renewed his interest in promoting domestic industries. He also decided to establish a Portuguese Chamber of Commerce (*Junta do Commercio*), which would exercise control over commercial dealings. It had its own Judge Conservator, whose powers exceeded those of the Judge Conservator of the English Factory. At the same time, he introduced an extra import tax of 4% to help rebuild the country. British claims to be exempt from such a tax, on the grounds that the 1654 treaty established a maximum import duty for the British of 23%, were ignored. This was just one of several grievances held by the Factory in the years following the earthquake.

In 1759 the British failure to accept Portuguese neutrality when fighting sea battles came up again, although this time the enemy was France during the Seven Years' War, rather than Spain. A French fleet took shelter under the guns of the fort at Lagos in the Algarve but was destroyed by the British. Realising that Pombal was likely to object just as strongly as he had when ambassador in London, William Pitt the Elder took pre-emptive action by sending Lord Kinnoul as an Envoy Extraordinary to Lisbon to apologise for the incident and assure Portugal of Britain's commitment to the Alliance. Pombal was flattered by the respect offered by the British and reciprocated by inviting Kinnoul to attend a performance of the Queen and princesses singing, something no other ambassador had ever been permitted to hear. After that, Pombal dined with Kinnoul on several occasions, to stress Portugal's fear of a French and Spanish invasion. His efforts bore fruit as British support for Portugal's weak army was forthcoming and, in 1762, 8,000 British soldiers resisted the further advance of Spanish forces after the Siege of Almeida. Following the Treaty of Paris, which put an end to the Seven Years' War, Almeida was returned to Portugal, in exchange for the return by the British of Havana and Manila to Spain.

### **The Port Wine trade**

Between 1678 and 1687 the average annual export of port was just 632 barrels. However, as a result of the Methuen Treaty and of the closure of French ports to British shipping during the Nine Years' War (1688-1697), English demand for port boomed. The average export between 1718 and 1727 was 29,388 barrels or pipes and it continued to grow. By 1756, port was representing over 70% of all wine consumed in Britain, as exporters were able to take advantage of the higher tariffs on wines from other countries, particularly France. As annual shipments rose, so did prices paid to wine producers and the exporters in Porto formed an association in 1727 to try to regulate these prices. Another result of the rapid increase in demand was that the traditional producers could not produce enough to supply the market. As a consequence, new vines were planted on unsuitable land, and both inferior wine and wine from outside the port region, including from Spain, was passed off as port. Adulteration became common, with the use of elderberry (*baga de sabugueiro*) to enhance the colour and disguise the use of poor-quality spirits as substitutes for local brandy. By the 1730s sugar was also being added. As a consequence, wines were arriving in England "*devoid of taste, body, colour or goodness of any kind*".<sup>8</sup>

As a consequence of the decline in port quality leading to lower demand in England and of the rapid increase in production, prices began to collapse. At the turn of the century a pipe of port could be sold for 60 escudos: by 1750 it was just over six escudos. Grape growers, who had lived really well for a few decades, suddenly found themselves living in poverty, for which they blamed the English shippers. They made representations to Pombal through a friend of his, João de Mansilha, a Jesuit priest, who reported to him in Lisbon, shortly after the earthquake, that "*the daughters of the wine growers were being reduced to prostitution because the English would buy only from those who put their daughters at their disposal*".<sup>9</sup>

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<sup>8</sup> Mayson, p. 12 quoting Rebello de Fonseca

<sup>9</sup> Cheke, p. 84



**Factory House, Avenida Infante D. Henrique, Porto**

Pombal's response was to create the *Companhia Geral da Agricultura das Vinhas do Alto Douro*, later known as the *Companhia Real*, with the backing of several significant Portuguese growers, placing Mansilha in charge. It was all-powerful, with a mandate to fix prices, maintain the quality of the product, raise taxes and even decide which bars in the Oporto area could continue to sell port. The *Real Companhia* was given a monopoly on sales to Brazil and English exporters had to buy their wine from the company. Port drinkers in the area rioted when many taverns were closed. Twenty rioters were hanged and many more deported. The British shippers complained to the British prime minister, William Pitt, but received no satisfaction as he was keen to remain on the right side of the Portuguese, given that Britain was fighting the Seven Years' War against France and Spain at the time.

The steps taken by the *Real Companhia*, under Pombal's guidance, were extensive and visionary. In addition to those mentioned, it also improved roads and the navigation of the Douro. In the end, although a few measures failed, most of the British shippers were forced to admit that they had also benefitted. In 1757, the first detailed classification of port wine vineyards was carried out. Those who produced the best wines, known as "*Vinhos de Feitoria*", were allowed to sell their wines for export and receive a higher price, while those who made lesser wines, called "*Vinhos de Ramo*", were restricted to the domestic market. As a result of the efforts of the *Real Companhia*, port wine, drawing on lessons from Tokaji (Tokay) wines in Hungary, became the world's second Denomination of Controlled Origin (DOC), a century before the *Appellation Contrôlée* of France. This came into effect in 1761, with the area in which port wine could be produced being clearly demarcated with 335 stone pillars, which came to be known as the Pombaline landmarks. All elderberry was to be uprooted and all vineyards had to be registered. Only spirit (brandy or aguardente) supplied by the Company could be used in the production process. It was at this time that vines that had previously been used to supply illicit port were ordered to be dug up to make way for cereal production, as noted previously.

Pombal's measures were effective in increasing port exports to Britain, at a higher price. Despite its achievements, the *Real Companhia*, which had none of the wine exporters on its sizeable board, gradually developed a reputation for corruption, with board members all building sizeable properties for themselves in the Douro. Pombal, himself, was not immune from this corruption: the one area of production outside of the demarcated area that was permitted to supply grapes for blending into port was his own vineyard in Carcavelos, near Lisbon. On Mansilha's suggestion, Pombal was given a

commission on wine exports and brandy sales. It was perhaps not so strange, then, that Mansilha also became Pombal's confessor.

### **Pombal and two Englishmen**

Although Pombal was opposed to many aspects of the preferential trading arrangements given to the British in both Lisbon and Porto, he was more than happy to work with individual Englishmen to further his aims of economic nationalism to reduce foreign influence, as long as the British served under the Portuguese law. The most notable of these were John Bristow and William Stephens.

**John Bristow** first met Pombal when the latter was ambassador to London. Bristow, whose father was a founder investor in the Bank of England in 1694, was born in 1701, became a member of parliament in 1734, and was a director and governor of the South Sea Company. He was in partnership with another MP, Peter Burrell, mentioned above. Subject to allegations of corrupt practices, he became rich enough to contribute £150,000 to underwrite a British government loan in 1744. When Pombal was ambassador in London, Bristow also lent a much smaller sum to the Portuguese government to repay a debt owed to the diamond trader, Francisco Salvador, incurred when repairing the ambassador's house. Bristow later moved to Lisbon, where he became a well-known member of the Factory. Bristow, Warde & Co. was one of the largest companies trading between the two countries, but Bristow eventually lost his fortune as a result of the 1755 earthquake.



**John Bristow**



**William Stephens**

Diamonds from Brazil were often smuggled to avoid the payment of duties, and English merchants, including Bristow, were heavily involved in the illicit trade. Considering that gold exports were technically illegal, uncut diamonds proved to be an alternative way of sending funds to Britain and elsewhere. As part of Pombal's plans to reshape the Portuguese commercial system, he decided to create a commercial monopoly for Brazilian diamond exports and, in February 1753, just one year after Bristow's involvement in the bullion-smuggling controversy described above, the king, on Pombal's recommendation, granted Bristow the monopoly to sell Brazilian diamonds for a period of six years. The contract was signed on 10th August 1753, and its contents remained secret. Bristow went

into partnership with the Dutch merchant Herman Joseph Braamcamp, who had himself tried to obtain the monopoly a few years earlier.

It was perhaps surprising that Pombal chose a well-known smuggler for this task. However, he knew Bristow well and was seeking to use his commercial expertise. Bristow's role did not last long. First, news reached Pombal that Bristow's company had traded with the Jewish trader, Francisco Salvador. Pombal disliked the Jews in the diamond trade and one reason for establishing the monopoly was to limit their involvement in the Brazilian trade. Moreover, he held a personal grudge against Salvador for demanding repayment of the loan to repair the ambassador's house in London. Then the earthquake struck Lisbon in 1755, leading to the bankruptcy of Bristow, Warde & Co. Bristow could no longer fulfil his contractual obligations and the contract was terminated in 1756. Alternative companies were identified to run the monopoly with, over time, an increasing involvement of Portuguese, in line with Pombal's aim to develop a national commercial capacity.

In 1766, still seeking to collect his debts, Bristow visited Pombal, accompanied by the British ambassador. Pombal was perfectly civil but did nothing to alleviate Bristow's financial difficulties. The debts were not settled until 1792. Bristow died in Lisbon in 1768 and was buried in the British cemetery. Booker suggests that his tombstone was anonymously paid for by someone outside the Bristow family.<sup>10</sup>

**William Stephens'** relationship with Pombal had a more satisfactory outcome. Stephens was the illegitimate son of a schoolmaster in Exeter and a servant. When his father's wife died in 1743, he married William Stephens' mother and had several more children. In 1746, Stephens went to Lisbon where his uncle, John Stephens, was in the lime business. His uncle's business would fail but William Stephens was taken on as a partner by a member of the Factory, George Medley. After the earthquake, Stephens realised that there would be a big demand for building materials, and saw a way to increase the supply of lime by using anthracite waste shipped from England, as an alternative fuel to wood, which was in short supply. He succeeded in getting an interview with Pombal and convinced him about the idea. In time, the two became friends. However, Stephens faced difficulties in making a profit and was close to bankruptcy by 1762. At this time his three brothers and a sister, Philadelphia, joined him in Portugal and, with Pombal's assistance, the business recovered and was in full production by 1769.

Parallel with this, Stephens was asked by Pombal to reopen and operate the Royal Glassworks (*Real Fabrica de Vidros*) in Marinha Grande. It took him two years to accept, citing lack of experience with the glass business, and he only decided to take the job after the personal intervention of the king. Stephens was given access to the neighbouring Royal pine forests, first planted to protect the area from encroaching sand dunes. The wood was used to power the factory and by the end of the first year he and his brother John were employing 150 men. In 1772 Pombal visited Marinha Grande *en route* to Coimbra where he was implementing ambitious changes to the university, designed and supervised by another Englishman, William Elsdon. This was apparently the only time he left Lisbon during his time in power. During this visit, hosted by Philadelphia, requests by Stephens for favourable treatment for his factory were discussed and a subsequent petition to the King led to protection against imports from Bohemia, which, Stephens argued, were being sold at low prices in order to drive the factory out of business. The company was granted a monopoly of glass supply within Portugal and its colonies, and was also permitted to make retail sales, enabling the brothers to become very rich.

The Stephens Brothers had pioneering ideas for social welfare for their employees, providing medical care, sick benefits and pensions and a school. They established a horticultural farm and a

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<sup>10</sup> Booker, p. 96

slaughterhouse, the latter to address a shortage of meat caused by the rapid increase in the number of workers at the factory. They followed the agricultural schemes of Thomas Coke of Holkham Hall<sup>11</sup> and transformed agricultural productivity in the area. The factory also had its own theatre, in which the employees performed on several occasions for visiting royalty. These enlightened ideas were shared by Pombal, and William Stephens was a member of a group advising him on social and educational reform.

After Pombal was removed from his position by Queen Maria I in 1777, he retired to his properties in Pombal. However, these had been neglected while he had been in power and he and his wife were reduced to living in a small cottage. The Stephens family remained friendly with him, paying visits and supplying the Pombals with produce from their garden, as well as seeds so that Pombal, who had a keen interest in horticulture, could plant his own garden.

## Conclusions

The Marquis of Pombal has rightly been referred to as a dictator, being enabled to be so in part by the weakness of King José I. Some have even drawn a comparison between him and António Salazar, while noting that Pombal was more dynamic and imaginative with regard to policy formation.<sup>12</sup> As several writers have observed, he was both enlightened and vindictive. The latter side of his character can be evidenced by his treatment of the noble Tavora family after a failed attempt on the life of the king. Their torture and execution may have had less to do with “*pour encourager les autres*” than with the fact that he had apparently proposed marriage to the daughter of the Marquis de Tavora soon after his arrival in Lisbon and had been rebuffed by the family. His expulsion of the Jesuits, notwithstanding the likely benefits of removing the dominance of the Vatican over the Portuguese economy, together with the “reign of terror” in his final years, provide further evidence of his vindictive nature.

On the other hand, his interventions in the commercial sector were clearly much needed, even if some were ultimately unsuccessful or were only successful as a result of government subsidies and favourable tax arrangements. The profitable glass factory of William Stephens, for example, owed much to protectionist measures. Other factories supported included a pottery, paper mills, cotton mills, wool factories and a hat factory. His support for the social welfare ideas of the Stephens brothers is also noteworthy.

Pombal’s reform of the port wine industry was clearly well thought out and the use of the DOC approach to protect the value of agricultural products is still being advocated to this day in many countries. However, as we have seen, the *Real Companhia* rapidly became corrupt and, by the time of Joseph James Forrester in the 1840s, port production was back to many of its bad old ways.<sup>13</sup>

Such was England’s control of Portuguese trade prior to Pombal that at times Portugal was treated like a colony. Pombal’s response to this is clearly seen in his relations with the Lisbon Factory. He did not seek to destroy the relationship with the Factory; he merely wished it to be more equal and for his country to be able to develop a merchant class that was able to compete with the British. He also wanted to curtail English contraband trade. That he initially had relatively little success in reducing British commercial power seems to stem from three factors: Portuguese dependence on English imports, traders and shippers and the risks the economy would therefore face if he alienated the Factory too much; Portugal’s military dependence on Britain, making him reluctant to jeopardise the Alliance; and the vast wealth coming from Brazil in the form of gold and diamonds, which provided little financial incentive for the Portuguese elite to undertake industrial or commercial activities. As a visitor to Portugal

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<sup>11</sup> [https://en.wikipedia.org/wiki/Thomas\\_Coke,\\_1st\\_Earl\\_of\\_Leicester\\_\(seventh\\_creation\)](https://en.wikipedia.org/wiki/Thomas_Coke,_1st_Earl_of_Leicester_(seventh_creation))

<sup>12</sup> Black, p. 121

<sup>13</sup> <https://www.bhsportugal.org/library/articles/joseph-james-forrester>

observed, anticipating Noël Coward, “you shall not meet anyone on foot some hours of the violent heat every day, but dogs and Englishmen”.<sup>14</sup> In the end, it took an earthquake to reduce British commercial strength but there is little doubt that this decline would also have happened over time had there been no earthquake. The last formal meeting of the British Factory took place on 30 November 1810.

In 1780, for the first time in nearly a century, Portugal had a balance of payments surplus. The extent to which this can be regarded as a vindication of Pombal’s economic plans can, however, be disputed. It may, instead, have simply reflected the decline in the supply of gold from Brazil, making it harder for Portugal to buy items from overseas.

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<sup>14</sup> Maxwell, 1995, p. 46, quoting Costigan

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