

RALEIGH LECTURE ON HISTORY

BRITISH MERCHANTS AND SOUTH
AMERICAN INDEPENDENCE

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THE economic history of Latin America in its age of emancipation is still unwritten. There is an immense literature relating to political, constitutional, diplomatic, and military history.¹ It is possible to follow, if not hour by hour, almost, at least, day by day, the movements of Bolívar and, on occasion, of San Martín, the two greatest of the 'liberators'. But the disruptive effects of war and revolution, on the one hand, and the stimulating, but also in part disruptive, effects of the rise of foreign trade, the arrival of the foreign merchant, and the beginnings of foreign capital investment, on the other, still await their historian.² Much of the trade was British trade. A majority of the merchants were British merchants. And the foreign capital investment was almost wholly British. What sort of people were these merchants, adventurers, and commission agents who laid the foundations of British economic enterprise in South America in the first quarter of the nineteenth century? What kinds of risk did they run and what kinds of reward did they gain? How far did British capital help to fill the gap left by the flight of Spanish capital? And what was the contribution of this overseas commercial penetration to the political and economic development of the new Spanish American states?

Not all these questions can yet be answered, and I cannot hope to do more than illustrate the kinds of answer that may be given to some of them. But one further question must be examined

¹ See my paper on 'The Historiography of the Spanish American Revolutions', *Hispanic American Historical Review*, xxxvi (1956), 81-93.

² Cf. the stimulating essay of C. C. Griffin, 'Economic and Social Aspects of the Era of Spanish-American Independence', *ibid.* xxix (1949), 170-87, together with his 'Aspectos económico-sociales de la época de la emancipación hispanoamericana: una bibliografía selecta de la historiografía reciente, 1949-1959', Academia Nacional de la Historia, *El Movimiento Emancipador de Hispanoamérica* (4 vols., Caracas, 1961), i. 349-60, and his three lectures, *Los Temas Sociales y Económicos en la Época de la Independencia* (Caracas, 1962).

first. What was the legal status of British trade in South America? British merchants in London and Bristol, Liverpool and Jamaica, had long hoped for free and open access to those Spanish American markets and sources of supply, of gold and silver, drugs and dyewoods, hides and skins, which some of them knew fairly well, either through the trades of Lisbon and Cádiz or through the operation of the free port system in the West Indies¹—though there were other ways, too, of trading with Spanish America. In Spain, during the long reign of Charles III, the regulations governing the conduct of imperial trade had been revised and liberalized. Foreigners, late in the eighteenth century, had been admitted to a share in the slave trade.² Still later, during the long struggle between the sea-power of England and the land-power of France, and while Spain was still an ally of France, the Crown had been compelled to tolerate for limited periods neutral shipping in Spanish American ports.³ But, with these exceptions, the trade of the empire still remained the close preserve of Spain, and British anxieties to end the monopoly were matched by Spanish anxieties to maintain it.

The Napoleonic invasions of the Iberian peninsula, the overthrow of the Spanish royal house, the rising of the Spanish people, and the transformation of Britain from an enemy to an ally of Spain in July 1808, made no difference to this situation. Canning, at the Foreign Office, in 1808 and 1809, repeatedly tried to persuade the Spanish Government that 'an intercourse with South America is indispensably necessary for the obtaining, by this country, the means of continuing its aid to the Spanish cause'⁴—the bullion supply was always a major concern of the

¹ Allan Christelow, 'Great Britain and the Trades from Cadiz and Lisbon to Spanish America and Brazil, 1759-1783', *Hispanic American Historical Review*, xxvii (1947), 2-29, and 'Contraband Trade between Jamaica and the Spanish Main, and the Free Port Act of 1766', *ibid.* xxii (1942), 309-43; Frances Armytage, *The Free Port System in the British West Indies. A study in commercial policy, 1766-1822* (London, 1953); D. B. Goebel, 'British Trade to the Spanish Colonies, 1796-1823', *American Historical Review*, xliii (1938), 289-94.

² J. F. King, 'Evolution of the Free Slave Trade Principle in Spanish Colonial Administration', *Hispanic American Historical Review*, xxii (1942), 34-56.

³ Cf. Sergio Villalobos R., 'El Comercio Extranjero a fines de la Dominación Española', *Journal of Inter-American Studies*, iv (1962), 517-44; R. F. Nichols, 'Trade Relations and the Establishment of the United States Consulates in Spanish America, 1779-1809', *Hispanic American Historical Review*, xiii (1933), 289-313; and A. P. Whitaker, *The United States and the Independence of Latin America, 1800-1830* (Baltimore, 1941), pp. 4-9, 14-16.

⁴ Canning to John Hookham Frere, no. 3, 5 Oct. 1808, P[ublic] R[ecord]

British Government—and he protested also that ‘it would not be unreasonable to expect’ that the same relaxation of the restrictions on colonial trade which had been made in favour of neutrals should be extended to an ally.¹ Richard Wellesley, in 1810 and 1811, was equally emphatic.² But these representations were made in vain. It is true that on 17 May 1810 a decree was signed and thereafter printed purporting to open the ports of the Indies at least in part to the trade of all friendly nations. But this decree, according to Henry Wellesley at Cádiz, was the impudent fabrication of a Spanish American under-secretary in the Ministry of Finance; and it was, in any event, quickly disavowed.³ As for Richard Wellesley’s own proposal of a commercial treaty legalizing British trade with the Indies during the continuance of the war,⁴ this was rejected outright.⁵ Spanish suspicions of British intentions were too ingrained, the Government was dominated by Cádiz and the prejudices of the Cádiz merchants were too strong, to give such a proposal any chance of success. After all, it was only in 1797 that that ‘rough foul-mouthed devil’, Sir Thomas Picton (to use the Duke of Wellington’s words),⁶ had been encouraged at Trinidad to promote revolution on the mainland; only in 1806 that Sir Home Popham (on his own responsibility) had attacked, captured, and briefly held Buenos Aires; only in 1807 that Sir Samuel Auchmuty had stormed Montevideo.

O[ffice], F[oreign] O[ffice Records] 72/60. Cf. Canning to Frere, no. 30, 16 Nov. 1808, F.O. 72/60; to Admiral Apodaca, 17 Nov. 1808, F.O. 72/67; to Marquess Wellesley, no. 4, 27 June 1809; nos. 36 and 38, 24 Aug., 16 Sept. 1809, F.O. 72/75.

¹ Canning to Marquess Wellesley, no. 26, 17 Aug. 1809, F.O. 72/75.

² Cf. Marquess Wellesley to Henry Wellesley, no. 21, 13 July 1810, F.O. 72/93.

³ Henry Wellesley to Marquess Wellesley, no. 56, 11 July 1810, F.O. 72/96. See also J. M. Zamora y Coronado, *Biblioteca de Legislación Ultramarina* (6 vols., Madrid, 1844–6), ii. 264–5.

⁴ He thought, alternatively, of measures to liberalize the conditions of trade by the Cádiz route and to allow of the export of specie directly from Spanish America to Britain. Marquess Wellesley to Henry Wellesley, no. 24, 24 July; no. 26, 11 Aug.; no. 27, 4 Aug. 1810, F.O. 72/93.

⁵ H. Wellesley to Marquess Wellesley, no. 77, 22 Aug. 1810, F.O. 72/96; no. 81, 25 Aug.; Bardaxí to H. Wellesley, 24 Aug. 1810, F.O. 72/97; C. R. Crawley, ‘French and English Influences in the Cortes of Cadiz, 1810–1814’, *Cambridge Historical Journal*, vi (1939), 182–3; H. Wellesley to Viscount Wellington, 16 Aug. 1810, *Supplementary Despatches, Correspondence, and Memoranda of Field Marshal Arthur Duke of Wellington, K.G.* (15 vols., London, 1858–72), vi. 574.

⁶ Philip Henry, Fifth Earl Stanhope, *Notes of Conversations with the Duke of Wellington, 1831–1851* (Oxford, 1938), p. 68.

Agents from Venezuela, where the Spanish authorities had been deposed, were actually in England, brought by a British naval corvette. As for British trade with Spanish America in general, Spain had been trying to put a stop to it for more than a century.

The question was raised again in 1811: first, when Britain offered to mediate between Spain and her rebellious colonies,¹ and the Cortes, which had now been summoned, agreed that she should have the right to trade with Spanish America while mediation was in progress; and, later, when the Cortes passed a resolution authorizing the conclusion of a subsidy treaty under which Britain would be granted a share in the Indies trade in return for a loan.² But the conditions of mediation which the Cortes laid down were wholly unacceptable to Britain,³ and the proposed subsidy treaty was equally unsatisfactory.⁴ Both were rejected. Twelve years later, in one of his most celebrated State Papers, the Polignac Memorandum of October 1823, Canning stated 'that permission to trade with the Spanish colonies had been conceded to Great Britain in the year 1810, when the mediation of Great Britain between Spain and her colonies was asked by Spain and granted by Great Britain' and 'that it had been ever since distinctly understood that the trade was open to British subjects, and that the ancient coast laws of Spain were, so far as regarded them at least, tacitly repealed'.⁵ But the basis for these assertions is slender indeed. When, in 1812, Castlereagh succeeded Wellesley at the Foreign Office, what Canning called

¹ Marquess Wellesley to H. Wellesley, no. 18, 4 May 1811, F.O. 72/108.

² H. Wellesley to Marquess Wellesley, no. 130, 20 Dec.; no. 141, 31 Dec. 1811, F.O. 72/115.

³ H. Wellesley to Marquess Wellesley, no. 69, 30 June 1811, F.O. 72/112; Bardaxí to H. Wellesley, 29 June 1811, *ibid.*; John Rydjord, 'British Mediation between Spain and her Colonies, 1811-1813', *Hispanic American Historical Review*, xxi (1941), 33-34. This article makes use of Spanish but not of British archives.

⁴ Bardaxí to H. Wellesley, 29 Dec., Wellesley to Bardaxí, 30 Dec. 1811, F.O. 72/115.

⁵ Printed in C. K. Webster, *Britain and the Independence of Latin America, 1812-1830. Select Documents from the Foreign Office Archives* (2 vols., London, 1938), ii. 117. See also *Parliamentary Debates*, n.s., x. 753, for Canning's further statement, in Mar. 1824, that no treaty existed, merely an understanding. Cf. Goebel, *op. cit.*, pp. 288-9. H. W. V. Temperley and Lillian M. Penson, *Foundations of British Foreign Policy from Pitt (1792) to Salisbury (1902)* (Cambridge, 1938), pp. 523-6, attempt to explain away Canning's words, but not, I think, with great success. Webster asserts that 'a sort of permission to trade was given by the Cadiz Government' (*op. cit.* i. 10).

the 'coast laws of Spain' were, theoretically at least, as much in force as they had always been.

In practice a very different situation prevailed. What Spain refused to concede, Spanish Americans took for themselves. Everywhere in South America, except in the old Viceroyalty of Peru and the neighbouring Presidencies of Quito and Charcas, the years between 1808 and 1812 saw the beginnings of the transition from the closed to the open door. In the great Portuguese colony of Brazil, to which the Prince Regent and the royal family of Portugal had fled, the Carta Régia of January 1808, issued soon after the arrival of the Prince, put an end to the old system of colonial monopoly. Sir Home Popham's assault on Buenos Aires, eighteen months earlier, foreshadowed a similar conclusion in the Río de la Plata. Popham and his fellow conquerors of Buenos Aires, it is true, believed not so much in free trade as in freer trade, and, for Britain in particular, preferential trade.¹ But Buenos Aires in 1806 and Montevideo in 1807 had tasted, under British rule, a commercial freedom which they had never known before, and it was not for long that the great river would again be closed to foreign trade. However illegally, British merchants continued to reside at Buenos Aires in 1808 and 1809 and British merchant ships to unload their cargoes. Finally, on 6 November 1809, a recently-appointed viceroy, faced with an empty treasury, reluctantly agreed that the port must be opened to the trade of allies and neutrals.² Stringent restrictions were imposed, and, under pressure from the old Spanish merchants, the viceroy soon sought to retreat from the concessions he had made.³ On 25 May 1810, however, he was deposed. From that moment Buenos Aires was independent in fact if not in name and its port remained open to the ships of all friendly nations.

¹ Brigadier-General W. C. Beresford to Castlereagh, Fort of Buenos Ayres, 11 July 1806, P.R.O., War Office Records, 1/161; H. S. Ferns, *Britain and Argentina in the Nineteenth Century* (Oxford, 1960), pp. 49-51.

² Acta de la Junta Consultiva de 6 de Nov., sobre la permisión provisoria de comercio con los extranjeros . . ., *Documentos para la Historia Argentina*, vii (Buenos Aires, 1916), p. 379; R. A. Humphreys, *Liberation in South America, 1806-1827. The Career of James Paroissien* (London, 1952), pp. 38-40; Goebel, *op. cit.*, pp. 308-12; John Street, 'La influencia británica en la independencia de las provincias del Río de la Plata, con especial referencia al período comprendido entre 1806 y 1816', *Revista Histórica* (Montevideo), xxi (1954), nos. 61-63, pp. 379-91.

³ Alexander Mackinnon to Secretary of State for Foreign Affairs, Buenos Aires, 4 Feb., 1 June 1810, F.O. 72/107. Mackinnon first arrived in the Río de la Plata in June 1809.

The struggle which took place at Buenos Aires from 1808 to 1810 between those who wanted the port opened and those who wished to keep it closed, between agricultural and consumer interests on the one hand and the interests of the Spanish monopolistic merchant houses on the other, was paralleled in other parts of South America.¹ Just as the monopolists of Buenos Aires subscribed to a loan in 1809 to induce the viceroy to maintain the old exclusionist system, so, nine years later, the monopolists of Lima took precisely the same action.² But the issue was everywhere the same. As juntas and cabildos took the place of viceroys and governors, one after another the ports of South America were opened to the foreign trader—in Venezuela in May 1810, at Cartagena de las Indias on 1 January 1811, in Chile in February 1811.³ Thereafter the fortunes of trade followed the fortunes of war and the vicissitudes of royalist or patriot blockades and victories. At the last, even in Peru, for so long the stronghold of Spanish power in South America, the viceroy was compelled to connive at foreign trade,⁴ and there also, with the patriot occupation of Lima in 1821, the ports were opened.

While this transformation took place in South America, in England the legend of El Dorado wove again its ancient spell. 'There can be no field of enterprise', said Brougham in 1817, 'so magnificent in promise, so well calculated to raise sanguine hopes, so congenial to the most generous sympathies, so consistent with the best and the highest interests of England, as the

¹ See, for Buenos Aires, the celebrated *Representación, en nombre de los labradores y hacendados de las campañas del Río de la Plata*, of Mariano Moreno (1809), printed in D. L. Molinari, *Le representación de los hacendados de Mariano Moreno* (Buenos Aires, 1914), for the prolonged conflict of economic interests in Venezuela, E. Arcila Farías, *Economía colonial de Venezuela* (Mexico, 1946), pp. 318–20, 368–70, and for Chile, Hernán Ramírez Necochea, *Antecedentes Económicos de la Independencia de Chile* (Santiago de Chile, 1959), pp. 81–105.

² See my *British Consular Reports on the Trade and Politics of Latin America, 1824–1826* (Camden 3rd series, lxiii, London, Royal Historical Society, 1940), p. 29, n. 1, p. 127, n. 2.

³ The Captain-General of Venezuela had allowed British trade from Curaçao in 1807 and this privilege, though hampered by heavy duties, was further extended in 1808. Proclamation of Captain-General of Venezuela, 1 Sept. 1808, P.R.O. Ad[miralty Records] 1/258; Alexander Cochrane to W. W. Pole, 21 Oct. 1808, Ad. 1/329. The Junta of Caracas in 1810 offered preferential rates to British trade. Goebel, *op. cit.*, p. 299. For the decree of the Supreme Junta of Cartagena, dated 10 Dec. 1810, opening the port of Cartagena as from 1 Jan. 1811, see Vice-Admiral B. S. Rowley to J. W. Croker, 5 Feb. 1811, Ad. 1/262, and, for Chile, *British Consular Reports*, p. 91.

⁴ *British Consular Reports*, p. 127, n. 2.

vast continent of South America. He must indeed be more than temperate, he must be a cold reasoner, who can glance at those regions, and not grow warm.¹ At the news, rather more than ten years earlier, of Popham's conquest of Buenos Aires, so great had been the popular enthusiasm, enhanced, no doubt, by the sight of the wagon-loads of silver which Popham sent home, that within a few weeks perhaps a hundred ships were fitting out for the Río de la Plata; and when Montevideo fell into British hands in February 1807, 6,000 British subjects are said to have entered the town, of whom 2,000 were 'merchants, traders, adventurers'. Immense sums in money and goods were realized in a short space of time,² and the gloom into which the mercantile community was cast by the loss of these conquests—a loss followed so soon by the fall of Lisbon and by the application of the American Non-Importation and Embargo Acts—was proportionately great. It was only relieved by the opening of the ports of Brazil, when, in the words of an English visitor, 'so great and so unexpected was the influx of English manufactures into Rio de Janeiro . . . that the rent of the houses to put them into became enormously dear. The bay was covered with ships, and the custom-house soon overflowed with goods.'³ John Luccock, a partner in the firm of Luptons of Leeds, arriving in June 1808, found that the stock of fine cloth was 'sufficient for several years';⁴ and the descriptions given by McCulloch and others of the services of cut-glass, the skates, the stays, the warming-pans, and the coffins which found their way to Rio de Janeiro, and later to Buenos Aires, between 1808 and 1810, are too well known to be repeated.⁵ It is not surprising that the Select Committee on the State of Commercial Credit in 1811 attributed a principal part of the commercial distress which prevailed in Britain in 1810 to the 'great and extensive speculations, which commenced upon the opening of

¹ 13 Mar. 1817. *Parliamentary Debates*, xxxv. 1026.

² J. P. and W. P. Robertson, *Letters on Paraguay* (3 vols., 2nd ed., London, 1839), i. 94, 101–2; Humphreys, *Liberation in South America*, pp. 4–9; J. B. Williams, 'The Establishment of British Commerce with Argentina', *Hispanic American Historical Review*, xiv (1935), 47.

³ John Mawe, *Travels in the Interior of Brazil* (London, 1812), p. 324. Mawe was a mineralogist.

⁴ Herbert Heaton, 'A Merchant Adventurer in Brazil, 1808–1818', *Journal of Economic History*, vi (1946), 9.

⁵ Mawe, *op. cit.*, pp. 324–6; Thomas Tooke, *A History of Prices, and of the State of Circulation from 1793 to 1837* (2 vols., London, 1838), i. 276–7; W. R. Manning, ed., *Diplomatic Correspondence of the United States concerning the Independence of the Latin-American Nations* (3 vols., New York, 1925), i. 454.

the South American markets in the Brazils and elsewhere, to the adventures of British merchants'.¹

From now on, British trade with the east coast of South America was firmly established and British merchants were looking to the opening of the west coast also.² It was not, of course, free trade. Tariffs were often high. Rates varied with bewildering rapidity. And merchants were subjected to arbitrary regulations and arbitrary exactions. Only in Brazil were their rights safeguarded by treaty—the Anglo-Portuguese commercial treaty of 1810. But Brazil was also the seat of the British South American Naval Station, established in May 1808, and the commanders of His Majesty's ships at Rio de Janeiro, in the Río de la Plata, and, later, in Pacific waters, acted as unofficial consuls and diplomats, protected British trade, safeguarded the rights of British merchants, and, incidentally, transported on their behalf immense quantities of specie to England.³ These, then, were the conditions under which the British communities in Rio de Janeiro and Buenos Aires were founded. That at Buenos Aires already numbered more than 50 persons in 1809 and more than 120 in 1810, and by that year the property which British merchants had at stake there, as one of them reported, was 'seldom less than £750,000 sterling', and sometimes more than a million.⁴

One member of this small community in 1810 was a young Scotsman, John Parish Robertson by name. Robertson had first visited the Río de la Plata in 1807, brought there by his father, a former Assistant Secretary to the Bank of Scotland,⁵ in the hope of turning to good commercial advantage the recent conquest

¹ *Parliamentary Debates*, xix. 250; Tooke, *op. cit.* i. 306. Cf. A. D. Gayer, W. W. Rostow, and Anna J. Schwartz, *The Growth and Fluctuation of the British Economy, 1790-1850* (2 vols., Oxford, 1953), i. 92-93.

² There is evidence of eleven ships fitting out for trade with Chile and Peru as early as 1807-8, the earlier vessels sailing with the avowed purpose of contraband, the latter in the hope that since Britain and Spain had become allies, trade would be free. Hullett Bros. *et al.* to Canning, 3 Apr. 1809, F.O. 72/90. Their fate was not happy.

³ G. S. Graham and R. A. Humphreys, eds., *The Navy and South America, 1807-1823. Correspondence of the Commanders-in-Chief on the South American Station* (London, Navy Records Society, 1962), *passim*.

⁴ Alexander Mackinnon to Canning, 2 Nov. 1809, F.O. 72/90, 12 Aug. 1810, F.O. 72/107; *British Consular Reports*, p. 26, n. 2, p. 32, n. 1.

⁵ William Robertson, Sr., was appointed Assistant Secretary, after being a Senior Clerk in the Secretary's Office, on 24 Mar. 1796. Bank of Scotland, Minutes of Courts of Directors, vol. 8. According to *Chambers's Edinburgh Journal*, n.s., no. 1, 6 Jan. 1844, he resigned this post (it is not clear precisely when) on account of ill-health and entered 'a mercantile house in Glasgow'.

of Buenos Aires. He returned to South America, this time by himself, after the emigration of the Portuguese Court to Brazil in 1808, landed at Rio de Janeiro in October of that year, and moved to Buenos Aires a few months later. Here he was employed as a clerk until in December 1811 he made his way to Asunción, the capital of the former Intendancy of Paraguay, more than 1,000 miles away, to dispose of a large consignment of goods which was to follow him up-river. The Intendancy, when Robertson arrived, had only recently established its virtual independence both of Spain and of Buenos Aires and was soon to fall under the iron rule of Dr. José Gaspar Rodríguez de Francia, who in 1813 became one of the republic's two 'consuls' and in 1814 its dictator. To the rest of the world it was as unknown as Tibet. Robertson was the first British subject to attempt to trade with the country, and one of the very few foreigners (apart from some of the old Jesuit missionaries) to have entered it at all. He was not yet twenty.

The Paraguayan venture lasted more than three years. At first regarded with suspicion and his every transaction watched, Robertson quickly won his way and was soon privileged to buy and sell freely. If later dealings, when \$200 worth of salt in Buenos Aires sold for \$4,000 in Asunción,¹ are any guide, his profits must have been large indeed. They were sufficient, at any rate, to tempt his younger brother, William, to come out from Scotland to join him in 1814. He then proposed to pay a visit to England himself, was entrusted by Francia with specimens of Paraguayan tea, sugar, tobacco, and cloth, and was told to present these to the House of Commons and to announce the dictator's wish to sign a treaty of friendship and commerce with England.² He went no further than Buenos Aires, however. On his way back to Asunción he was robbed of part of his property and nearly of his life, and, when he did arrive, it was to find that he had incurred Francia's violent hostility. He was instantly expelled, withdrew to the little town of Corrientes in the province of the same name, and was there joined by his brother a few weeks later with what had been saved from their Paraguayan venture. And he was probably fortunate. Within a few years Paraguay had become a country barely possible either to enter or to leave, and it so remained till Francia's death in 1840.

The Robertsons, meanwhile, saw and grasped a new opportunity. The territory of Corrientes, together with that of Entre Ríos, lying between the Paraná and Uruguay rivers, had been

¹ *Letters on Paraguay*, iii. 255.

² *Ibid.* ii. 281-4.

the great cattle country of the Viceroyalty of the Río de la Plata. Devastated during the civil wars which followed the dissolution of the viceroyalty, it was slowly returning to tranquillity. Europe needed hides. Corrientes could supply them, if the landowners could be induced to put their properties in order and if the hides could be collected. Dried hides could be bought in Corrientes for $1\frac{1}{2}d.$ a pound, sold at Buenos Aires for $5\frac{1}{2}d.$, and resold at Liverpool for $9d.$ or $10d.$ A horse cost $3d.$ Its hide sold for $3s.$ in Buenos Aires and for $7s.$ or $8s.$ in England.¹ The Robertsons turned themselves into the 'hide-merchants' and 'carriers' of the province,² organizing the hide trade as it had never been organized before. A partnership with a fellow Scot at Buenos Aires, Thomas Fair (later a large landowner), assured them the means of giving credit to the estancieros to induce them to return to their estates and collect together their herds of cattle. They established two headquarter-stations about 150 miles apart and a dozen or so outposts. They organized a system of wagon trains to collect hides and skins. They engaged an Irish-born gaucho, whose name struck terror into the hearts of other gauchos, to maintain order. And they paid good wages and prices.

By the end of 1816 not only was prosperity returning to Corrientes,³ it had returned to the Robertsons, and the time had come for larger operations. John Parish Robertson, who had arrived in South America allegedly with only a guinea in his pocket in 1808,⁴ sailed for England in a specially chartered vessel early in 1817, with the primary purpose of visiting his grandfather at Bath.⁵ For this there was good reason. Robertson's grandfather was John Parish, the founder of the great merchant banking house of John Parish & Co. of Hamburg and the father of David Parish, who had established his own merchant house at Antwerp and had managed on behalf of Charles IV of Spain, G. J. Ouvrard of Paris, the Hopes of Amsterdam and the Barings the extraordinary operation of shipping Mexican silver on Spanish account to Napoleon in 1805 and 1806.⁶ John Parish

¹ J. P. and W. P. Robertson, *Letters on South America* (3 vols., London, 1843), i. 262-3.

² *Ibid.* i. 181.

³ *Ibid.* iii. 70-71. On the Robertsons' activities in Corrientes see also John Street, *Artigas and the Emancipation of Uruguay* (Cambridge, 1959), pp. 274-7, and Ferns, *op. cit.*, pp. 61, 81-82.

⁴ *Chambers's Edinburgh Journal*, 6 Jan. 1844.

⁵ *Letters on South America*, iii. 3; 'My Grandfather. A Tale of Bath', *Fraser's Magazine for Town and Country*, xiii (Jan. to June 1836), 569.

⁶ On John Parish see Richard Ehrenberg, *Das Haus Parish in Hamburg* (2nd ed. Jena, 1925), and A. Raffalovich, 'John Parish, banquier et negociant à

was himself a Scot, born at Leith. He had retired from the Hamburg firm at the end of 1796 with a fortune estimated at 2,000,000 marks and in 1807 established himself at Bath, where, in the next sixteen years, he gave 579 dinners and 76 balls and suppers and disposed of 14,750 bottles of wine. Hitherto he had ignored his grandsons. But he now recognized John as 'a chip of the old block', and John, having been provided with letters of introduction 'for all parts of the country',¹ finally set up a house of his own at Liverpool, while his brother and their partner remained at Buenos Aires. John and William Parish Robertson of Buenos Aires and Liverpool were no longer provincial traders. They were the correspondents of the Barings, the Gladstones, and the Parishes, importing German linens from Hamburg, shipping Spanish dollars for Bombay and Calcutta, freighting jerked beef for Havana.²

In Corrientes the Robertsons had lived a hard and dangerous life. They had incurred, also, the hostility of local traders, and it was with relief that they settled down into more conventional grooves, William, at Buenos Aires, classifying himself for the first time, in December 1817, 'as an English merchant in a foreign country'.³ Even at Buenos Aires, of course, life and property were not invariably secure. The growing community of British merchants had its troubles, and it appealed from time to time for the help of the British naval commanders in South American waters.⁴ But the city grew and flourished on foreign trade. It was never reconquered. In contrast to what happened in most of the other Spanish ports of South America, the British

Hambourg', *Journal des Économistes*, 6th series, vii (1905), 199-208; on David Parish, P. G. Walters and R. Walters Jr., 'The American Career of David Parish', *Journal of Economic History*, iv (1944), 149-66, John Rydjord, 'Napoleon and Mexican Silver', *Southwestern Social Science Quarterly*, xix (1938), 171-82, R. W. Hidy, *The House of Baring in American Trade and Finance* (Cambridge, Mass., 1949), pp. 35-37, and Vincent Nolte, *Fifty Years in Both Hemispheres, or Reminiscences of the Life of a Former Merchant* (New York, 1854). John Parish died in 1829 and is buried in Bath Abbey. David became a partner in the banking house of Fries & Co. of Vienna, was ruined when it was ruined in 1825, and threw himself into the Danube in 1826.

¹ *Letters on South America*, iii. 10. Cf. John Parish Robertson to Baring Bros., London, 21 July 1817, Baring Papers, H.C. 4.1.3.1A, detailing the nature of the import and export trade of Buenos Aires. I am much indebted to the partners of Baring Brothers and Company for their courtesy in allowing me access to their records.

² *Letters on South America*, iii. 101, 145, 151-8.

³ *Ibid.* ii. 70-71, iii. 100.

⁴ Cf. *The Navy and South America*, Docs. 149, 150.

community never suffered disruption. And William Parish Robertson, in later life, could look back to these early years almost as to a golden age.¹

On the Caribbean shores of South America a very different situation prevailed. Here the Captaincy-General of Venezuela in 1810, like Buenos Aires in the same year, had welcomed the foreign trader, and its example had been followed in the neighbouring Viceroyalty of New Granada by the port of Cartagena. But not all the cities of Venezuela recognized the new republican régime set up in the capital, Caracas; the rebel ports were soon put under blockade from Puerto Rico; neither the first nor the second Venezuelan republic long survived; and it was not till 1823 that all danger from the Spaniards vanished. Cartagena, which declared its independence in 1811 but then joined the United Provinces of New Granada, was, for a time, more fortunate. As one of the great fortified towns of the Indies, it enjoyed a special fame, and the opening of its port inevitably attracted the British merchant, more particularly the British merchant in Jamaica, so long a centre of the contraband trade with the Spanish main. And of the Jamaican merchants trading to the main Maxwell and Wellwood Hyslop of Kingston are outstanding examples.

The Hyslops came from Kirkcubrightshire.² Wellwood, born in 1780, appears at the age of 22 as Deputy Commissary-General to His Majesty's forces in Jamaica.³ Maxwell, three years younger, is known to all biographers of Bolívar as Bolívar's friend and benefactor when the future liberator was a penniless refugee in Jamaica in 1815.⁴ The brothers traded as general merchants and their business was in part under-written by their cousins, W. and A. Maxwell & Co. of Liverpool. The Liverpool firm, in 1811, was exporting butter, soap, earthenware, hams, and cheese on joint-account; the Jamaica firm sent home rum and

¹ *Letters on South America*, ii. 67-72, iii. 102, 114-15.

² They were the third and fifth sons of William Hyslop of Lochend (afterwards Lotus). Maxwell Hyslop Papers, in the possession of R. A. M. Maxwell-Hyslop, Esq., to whom I am much indebted for the privilege of examining them.

³ Frank Cundall, ed., *Lady Nugent's Journal* (London, 1907), p. xxxiii, and entry under 29 Apr. 1802.

⁴ Bolívar to Hyslop, 19 May, 19 June, 30 Oct., 8 Nov., 4, 17, 26 Dec. 1815, Simón Bolívar, *Obras Completas* (ed. Vicente Lecuna and Esther Barret de Nazaris, 2 vols., La Habana, 1947), i. 131, 139, 182, 183, 186, and see Bolívar to Hyslop, 20 Apr. 1830: 'the services which you have rendered to Colombia and to me personally I shall never forget . . .' (*ibid.* ii. 874).

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logwood, coffee and cocoa, pimento and indigo, ginger and cotton.

Exactly when the Hyslops' South American connexions began is not clear. What is certain is that they had long kept a close eye on the changes which were occurring on the mainland. What were the prospects, they wrote to the Maxwells in November 1812, for Cartagena cotton and cochineal, and what was the value of gold and silver, milled and in bars?

It is very probable that we shall have to do a good deal in these articles, in consequence of our having been appointed agents for the Government of Carthagena. The cause of independence has taken a very favourable change of late, and as it is now almost reduced to a certainty that it will succeed, we shall have great trade with the River Magdalena. We have got powerful friends in that quarter, and we shall hope to benefit ourselves as well as you by it. We are now shipping a considerable quantity of goods there for the Government . . . indeed we have it in contemplation to establish a house at Carthagena solely for the conduction of commission business. . . .¹

Accordingly, while Maxwell Hyslop remained at Kingston, Wellwood, in 1813, removed to Cartagena. Bolívar's celebrated march from New Granada to Caracas in this same year gave substance to their hopes for 'the cause of independence' and the future of British commerce. Wellwood, painting a glowing picture for the Board of Trade of the market in New Granada for British hardware, textiles, and machinery and of the supply, in return, of 'raw materials of the first necessity to our manufacturers, and bullion for the surplus', looked forward to a 'monopoly of the trade of these countries' for Great Britain.² The Liverpool Maxwells gave increased credit. 'We are working double tides', wrote Maxwell Hyslop in October;³ and for a time all went well. Venezuela, it is true, again succumbed to the royalists, and Bolívar, who had already fled to Cartagena once, was forced to do so for a second time. But Maxwell, as late as April 1815, feared United States competition more than Spanish reconquest, anticipated the time when Britain would acknowledge the 'Confederate Government of New Granada', and hoped that when that time came Wellwood would be appointed 'British agent' at Cartagena.⁴

¹ Hyslops to Maxwells, Kingston, 28 Nov. 1812, Maxwell Hyslop Papers.

² W. Hyslop to Lord Bathurst, Cartagena, 20 Dec. 1813, F.O. 72/167.

³ M. Hyslop to W. Maxwell, Kingston, 24 Oct. 1813, Maxwell Hyslop Papers.

⁴ Hyslops to Maxwells, Kingston, 10 Apr. 1815, *ibid.*

These sanguine hopes received a sharp check when the news reached Kingston a few days later that a Spanish expeditionary force under the command of General Pablo Morillo had reached Venezuela. 'How far this will affect the independence of New Granada', wrote Maxwell, 'we are not competent to state at present, but if the expedition be extensive, it surely will be ag^t the cause, and if that cause fail, goodbye to British commerce on the main, which loss may be fairly attributed to our Ministers for not giving countenance to so noble an effort to throw open the bosom of a most fertile country.'¹ And the news of Morillo's expedition was followed in May by Bolívar's own arrival in Kingston, driven from New Granada as a result of civil and military dissensions, and by that of two commissioners from Cartagena seeking British military and naval aid and offering to place the town and fortress 'in deposit' in British hands until proper terms could be reached with Spain.² 'We hope the British Parliament will be obliged to take up this important subject', wrote Maxwell. 'If England refuse to give assistance, she may depend that the U. States, or some other power will, and in that case the preference to Britain will be lost. Were Carth^a garrisoned by British troops, what a field would be open to our country!'³

But the doom of Cartagena was already sealed. In August Morillo moved from Venezuela to New Granada to begin the siege of the city. Maxwell, believing it to be impregnable—after all it had resisted Vernon in the eighteenth century—sent flour for the relief of its defenders, and Wellwood, eluding Morillo's blockade, suddenly appeared at Kingston. He came with two more commissioners and armed with the authority of the Governor and Provincial Legislature of Cartagena to surrender the city and province in full sovereignty to Britain,⁴ or, as Maxwell magniloquently but inaccurately put it, 'to lay the whole empire of New Granada at the feet of the Prince Regent thro his Grace the Duke of Manchester', the then Governor of

¹ Hyslops to Maxwells, Kingston, 28 Apr. 1815, Maxwell Hyslop Papers.

² Rear-Admiral J. E. Douglas to Croker, 16 June 1815, enclosing Juan de Dios Amador to Douglas, 26 May 1815, Ad. 1/266. See also Salvador de Madariaga, *Bolívar* (London, 1952), pp. 260, 674.

³ Hyslops to Maxwells, Kingston, 17 June 1815, Maxwell Hyslop Papers.

⁴ Manchester to Bathurst, 4 Nov. 1815, P.R.O. C[olonial] O[ffice Records], 137/141; Douglas to Admiralty, 27 Oct. 1815, enclosing Juan de Dios Amador to Douglas, 14 Oct. 1815, Ad. 1/266; *The Star* (London), 27, 30 Jan., 1 Feb. 1816; *Documentos para la Historia de la Provincia de Cartagena de Indias* (ed. M. E. Corráles, 2 vols., Bogotá, 1883), ii. 156, 238, 284-5; Madariaga, op. cit., pp. 261-2.

Jamaica.¹ But the duke declined to receive the commissioners. Wellwood, having written in much indignation to Lord Castlereagh,² returned to Cartagena and he was still there when the city fell on 6 December. Failing to make his escape, he was thrown into prison, and in prison he remained for four months until he was liberated at last through the intervention of Rear-Admiral Douglas, the Commander-in-Chief on the Jamaica station.³

Though Wellwood fell into the hands of the Spaniards, his property did not: he had shipped it off under the care of one of his clerks.⁴ And Maxwell, despite his anxiety about Wellwood, was planning even now, in anticipation of the success of a fresh expedition which Bolívar was leading to Venezuela, to establish a house at La Guaira, Puerto Cabello, or Maracaibo. Indeed, the head-clerk of the Cartagena house himself accompanied the expedition.⁵ By June 1816, with Wellwood safely back at Kingston, the brothers were describing themselves as the commercial agents of General Bolívar as well as of New Granada,⁶ and when, with the revival of republican fortunes in Venezuela, a so-called Congress was installed at Cariaco in May 1817 and a new, though transient, executive power established, Wellwood was appointed Minister Plenipotentiary to Great Britain, charged with the negotiation of a commercial treaty. As it happened, Maxwell had already left for England, and the nomination was therefore altered in his favour,⁷ though, naturally, to no purpose.

For some time longer the Hyslops continued to flourish. They acted as agents in Jamaica of the Government of Colombia, when that state was founded, and contracted to supply it with

¹ Hyslops to Maxwells, Kingston, 18 Nov. 1815, Maxwell Hyslop Papers.

² W. Hyslop to Castlereagh, 7 Nov. 1815, F.O. 72/178.

³ Douglas to Viceroy of New Granada, 10 Apr. 1816; Viceroy to Douglas, May 1816, Fundación John Boulton, Caracas, Sección Venezolana del Archivo de la Gran Colombia, C, xx. 95-98. See also Memorial of Maxwell Hyslop to Castlereagh, 12 Apr. 1816, F.O. 72/189; Goulburn to Hamilton, 12 Mar., 10 Apr. 1816, C.O. 138/46; *The Star*, 7 Mar. 1816.

⁴ Hyslops to Maxwells, 30 Dec. 1815, Maxwell Hyslop Papers.

⁵ P. Bartlett to Maxwell Hyslop, 23 Mar. 1816; Hyslops to Maxwells, 2 Apr. 1816, Maxwell Hyslop Papers.

⁶ Hyslop & Co. to Brougham, 5 June 1816; Hyslops to Maxwells, 25 July 1816, Maxwell Hyslop Papers.

⁷ Maxwell Hyslop to Castlereagh, 13 Aug. 1817; Hyslop to the Executive Power of the United Provinces of Venezuela, 22 Aug. 1817; Hyslop to Bolívar, 13 Feb. 1818, Fundación John Boulton, Sección Venezolana del Archivo de la Gran Colombia, C, xxiii. 1-5, and W, vi. 8-14. See also F.O. 72/202.

arms; they formed a branch house at Maracaibo in 1821 and re-established the house at Cartagena;¹ and when the Government toyed with the idea of constructing a canal or railway across the isthmus of Panama, the Hyslops were thought of as the contractors.² But their relations with the Maxwells had already begun to cool in 1818; there were disagreements over credit which grew more acute in 1820 and 1821; and the old terms of intimate friendship were never renewed. Finally, the firm was brought to the verge of ruin when B. A. Goldschmidt & Co., the Colombian loan contractors, suspended payment in January 1826. The Hyslops were caught short with dishonoured bills and their affairs had to be put into the hands of trustees.³

As Venezuela and New Granada were reconquered by Spain, so, on the west coast of South America, Chile was reconquered from Peru. Its ports, opened in 1811, were again closed in 1814. Not many adventurers made their way to Chile in these early years. Some British ships were seized by the Spaniards. Others, mostly South Sea whalers, were captured, during the war of 1812, by the United States frigate, *Essex*, till she in turn was captured by Captain Hillyar in Valparaiso Bay in March 1814.⁴ But with San Martín's crossing of the Andes in January 1817 and the royalist defeat, on 12 February, at the battle of Chacabuco, Chile's experience more nearly resembled that of Buenos Aires and Rio de Janeiro than that of Venezuela and Cartagena. The markets, as one English visitor reported, were 'quite glutted with every description of goods and wares'.⁵ Valparaiso, whose population multiplied five times in as many years, soon resembled, in the opinion of another, a 'coast town' of Britain,⁶ and its reputation as the most important port on the Pacific was already established by the middle twenties.⁷

¹ M. Hyslop to Castlereagh, 16 Jan. 1822, F.O. 72/263.

² *British Consular Reports*, p. 242; David Bushnell, *The Santander Regime in Gran Colombia* (Newark, Del., 1954), pp. 139-40.

³ Hyslops to Maxwells, 29 Apr. 1826, Maxwell Hyslop Papers. Maxwell Hyslop died at Falmouth, Jamaica, on 12 Mar. 1837. R. R. Madden, *A Twelvemonth's Residence in the West Indies . . .* (2 vols., London, 1835), i. 229, refers to him as 'one of the most respectable men in the island'. Wellwood, who became a member of the House of Assembly, survived till 1845.

⁴ *The Navy and South America*, pp. 99, 105, 109-10, 113, 132-3, 141-2.

⁵ Samuel Haigh, *Sketches of Buenos Ayres, Chile, and Peru* (London, 1831), p. 253.

⁶ B. Vicuña Mackenna, *The First Britons in Valparaiso, 1817-27* (Valparaiso, 1884), pp. 35-36; Maria Graham, *Journal of a Residence in Chile, during the year 1822* (London, 1824), p. 131.

⁷ *British Consular Reports*, p. 94, n. 1. See also, for the growth of trade,

But Chile was provincial, Peru metropolitan, Chile was an agricultural, Peru a mineral-producing region; and it was to Peru, and to San Martín's preparations for its sea-borne invasion, that the British merchants now looked. Antony Gibbs & Sons, for example, the bulk of whose business was done with Spain, was already preparing in 1819 to establish a branch house in Lima, and their representative actually arrived there while the city was still in royalist hands.¹ Similarly, the Robertsons, in 1820, decided that the time had come for a further extension of their activities. William Parish Robertson, who had paid a brief visit to England in that year, returned to Buenos Aires with a handsome cargo of Manchester dry goods. John Parish Robertson, winding up his domestic affairs at Liverpool, followed him in a much larger vessel, chartered to sail round the Horn, his purpose now to lay 'the foundation of prosperous and extensive establishments in Santiago' and, so soon as possible, Lima.² Travelling overland from Buenos Aires, he reached Santiago in April 1821. 'The utmost anxiety', he wrote to his grandfather, 'prevails to hear from San Martín who is besieging Lima; no doubt is entertained of its ultimate fall; but the poverty of the Treasury here and the large stocks of goods in the hands of the merchants, make the Government impatient and the English uneasy about the delay.' If Lima fell before his ship arrived, he added, he would certainly go on there with her cargo.³ It was not, however, till July that San Martín entered Lima, and not till April 1822 that Robertson left Chile for Peru,⁴ to remain there for fifteen months.

There are a few glimpses only to be had of the Robertsons' operations at this time: of William, at Buenos Aires, investing in the public funds and in the stock of the new Bank of Buenos Aires, and persuading his grandfather to do likewise;⁵ of John,

Claudio Véliz, *Historia de la Marina Mercante de Chile* (Santiago, 1961), pp. 24-41.

¹ J. A. Gibbs, *The History of Antony and Dorothea Gibbs and of their Contemporary Relatives, including the history of the origin and early years of the House of Antony Gibbs and Sons* (London, 1922), pp. 354, 393, 395. Antony Gibbs & Sons had long had friends and correspondents in Lima.

² *Letters on South America*, iii. 214, 231-2.

³ J. P. Robertson to John Parish, Santiago, 17 Apr. 1821, Paroissien Papers, Essex Record Office; *Liberation in South America*, p. 92.

⁴ J. P. Robertson to James Paroissien, Valparaiso, 18 Apr. 1822, Paroissien Papers.

⁵ W. P. Robertson to John Parish, 11 June, 25 July 1823, F.O. 6/1; *British Consular Reports*, p. 23, n. 4.

at Lima, contracting to supply provisions to Callao,¹ and helping, with 'great talent', to fit out a military expedition against the royalist troops in the interior of the country.² In August, 1823, however, at his own request, he was appointed commercial agent in England for the Government of Peru,³ part of his duties, in that capacity, being to superintend the affairs of the Peruvian loan recently floated in London. And in January 1824, William, on behalf of John Parish Robertson & Co., and in association with a Buenos Aires merchant, Félix Castro, and three other merchant houses, contracted with the Government of Buenos Aires Province to negotiate a loan of £1,000,000 in Europe at a price of not less than 70 per cent, the Government to receive £700,000 at its absolute disposal, and the contractors a premium of 1 per cent. Substantial sums from the general revenues of the province were to be allocated to the payment of interest and principal. In return for an advance of \$250,000 the contractors were to enjoy all profits over the agreed minimum price. John Parish Robertson and Félix Castro were authorized to raise the loan in Europe, and they were directed to employ the House of Baring if possible.⁴ 'If you undertake the management of the business', wrote William to the Barings, 'I look for unqualified success.'⁵

The Barings, to their subsequent regret, agreed. A British consul-general, Woodbine Parish (no relation of the Parish Robertsons), had lately been sent to Buenos Aires—just as other consular officials, much to the satisfaction of the London, Liverpool, and Manchester merchants, had also been sent to Montevideo, Chile, and Peru. The provincial government of Buenos Aires had earned a high reputation, which Woodbine Parish, it should be noted, held to be fully justified, during the past three years; and the proposal seemed attractive. Fortunately, the agreement which the Barings signed with Robertson and Castro in July has survived. The loan was to be issued at 85 per cent. Barings were to be given £200,000 worth of stock at the original

¹ W. P. Robertson to John Parish, 11 June 1823, F.O. 6/1. William adds that eight ships were on their way to John's consignment with goods to the value of \$600,000.

² The Santa Cruz expedition. General William Miller to James Paroissien, 29 Nov. 1823, Paroissien Papers.

³ *Liberation in South America*, pp. 128-9.

⁴ Loan Contract, 16 Jan. 1824, Public Archives of Canada, Baring Papers, A. Letters Received, 3. j, Agents and Correspondents, Buenos Ayres, 1824-7; Robertsons to Barings, 8 Jan., 8 Mar. 1824, *ibid.*

⁵ W. P. Robertson to S. C. Holland, 26 Apr. 1824, *ibid.*

contract price of 70, and the profits on the remaining £800,000 would go to Robertson and Castro. The Government of Buenos Aires Province, that is to say, would receive a nominal £700,000; Barings would make £30,000, together with a commission of 1 per cent on the sale of stock and on the annual amount of the sinking fund and dividends; and Robertson and Castro would receive £120,000.¹ It is a substantial sum, and, not surprisingly, a Barings' representative, at a later date, thought that Robertson and Castro had indeed 'realized pretty pickings'.²

So much for the Buenos Aires loan. The Peruvian loan, with which Robertson was also concerned, had been floated in October 1822 by Thomas Kinder and had had an unhappy history.³ But in the general atmosphere of euphoria which pervaded the London capital market in 1824 and 1825 Robertson succeeded in rescuing it and even indeed in launching a second loan. Meanwhile, he and his brother had already signed a further contract with the provincial government of Buenos Aires for the settlement of 200 families on a tract of land which the Government was to provide in the southern part of the province.⁴ And at the time of the great joint-stock company boom and of that mania for speculation in Spanish American mines which McCulloch thought so 'remarkable' and 'disgraceful' an 'era in our commercial history',⁵ it is not surprising to find John Parish Robertson becoming in January 1825 a director of the Pasco Peruvian Mining Company and promoting in June the Famatina Mining Company, with a commission to himself of 5 per cent on the capital raised.⁶

But these golden days were quickly ended. Peru suspended interest payments on its loans in October 1825, and Robertson, who was heavily involved in Peruvian bills, found himself hard pressed to meet drafts from his Lima house of Cochran and

¹ J. P. Robertson and Félix Castro to Barings, 25 June 1824; Agreement between Baring Bros., John Parish Robertson and Félix Castro, 26 July 1824, Baring Papers (Canada), A.3.j.

² Ferns, *op. cit.*, p. 311.

³ I have described this in detail in my *Liberation in South America*, pp. 122 ff.

⁴ The contract, dated 11 Mar. 1824, is printed in James Dodds, *Records of the Scottish Settlers in the River Plate and their Churches* (Buenos Aires, 1897), pp. 21-23.

⁵ J. R. McCulloch, *A Dictionary, Practical, Theoretical, and Historical, of Commerce and Commercial Navigation* (2 vols., Philadelphia, 1840), ii. 187-8.

⁶ Henry English, *A General Guide to the Companies formed for Working Foreign Mines . . .* (London, 1825). See also his *A Complete View of the Joint Stock Companies, formed during the years 1824 and 1825* (London, 1827).

Robertson.¹ The Famatina Mining Company turned out to lay claim to the same mines as another company formed six months earlier; the miners it sent out were shipwrecked in the Río de la Plata and then temporarily detained at Montevideo as the result of the outbreak of war between Buenos Aires and Brazil;² and nothing whatever resulted from the company's plans. The Pasco Peruvian Mining Company was equally unfortunate. It paid dearly for its mines in the first place, and then, after sending out miners, engineers, and machinery, had to sell the equipment it had bought in order to meet its expenses.³ These disasters were followed by the suspension of payments on the Buenos Aires loan in July 1827, and by the financial collapse of Thomas Kinder, with whom Robertson had been closely linked in his Peruvian operations.⁴ Finally, the colonization scheme failed. The first emigrants sailed from Leith in May 1825. They came from the 'west and south of Scotland, and were chosen with a view at once to their agricultural skill and their religious and moral character'. But they were settled, not on land provided by the Government, but on land which the Robertsons had themselves decided to buy at Monte Grande, no great distance from Buenos Aires, and though by 1828 the colony consisted of over 500 persons and was doing fairly well, it had cost the Robertsons some £60,000 and their funds were exhausted.⁵

By this time both the Lima house and the Buenos Aires house had been forced into liquidation.⁶ John Parish Robertson, who had gone out to Buenos Aires to supervise the Monte Grande colony and to straighten out his affairs as best he could, returned to England in 1829 a comparatively ruined man. At the age of 37 he entered himself as a pensioner at Corpus Christi College, Cambridge, matriculated in the Lent Term of 1830, and headed Class 3 of the Junior Sophs in 1831.⁷ Leaving Cambridge without

¹ J. P. Robertson to Alexander Baring, 2 Nov. 1825; to S. C. Holland, 9 Nov. 1825, Baring Papers (Canada), A.3.j. See also C. M. Ricketts to Canning, 10 June 1827, enclosure, F.O. 61/11.

² W. P. Robertson to Woodbine Parish, Jan. 1825, F.O. 118/2.

³ C. M. Ricketts to Canning, 16 Sept. 1826, F.O. 61/8; 14 May 1827, F.O. 61/11.

⁴ J. P. Robertson to Barings, 14 Dec. 1827, Baring Papers (London), H.C. 4.1.3.11.

⁵ Dodds, *op. cit.*, pp. 3, 6-62. See also Ferns, *op. cit.*, pp. 138-40.

⁶ J. P. Robertson to Barings, 6 June 1827, Baring Papers (Canada), A.3.j; 14 Dec. 1827, Baring Papers (London), H.C. 4.1.3.11.

⁷ Corpus Christi College Cambridge Muniments, Cautions Book, 1781-1860; Register, 1822-44; Buttery Book, 1826-35; Examinations Book, 1821-. I am indebted for these references to Professor C. R. Cheney.

taking a degree, he settled down to a journalistic and literary life, producing in collaboration with his brother his *Letters on Paraguay* and his *Letters on South America*. He died at Calais in 1843.¹

In February 1824, her colonies lost, Spain at last permitted foreigners to trade with them.² By this time, according to contemporary estimates, between eighty and a hundred British commercial houses were established in Spanish American cities.³ In Peru, where the struggle between royalists and patriots still continued, there were some sixteen British establishments or agencies in Arequipa alone in September 1824;⁴ and Peru had been flooded with British goods.⁵ Britain and British India supplied a major part of the wants of Chile;⁶ and at Buenos Aires, where the British community now numbered 3,000, half the public debt and the best part of the most valuable property were allegedly in British hands.⁷ Already in 1822 four Latin American loans had been floated in London, including, alas, a loan to the almost wholly fictitious Kingdom of Poyais in Central America. Five more were floated in 1824, when petition after petition, from London, Liverpool, Manchester, Birmingham, Leeds, was presented to Parliament for British recognition of the new Spanish American states, and five again in 1825, at a time when the process of recognition, through the negotiation of commercial treaties in effect dictated by Canning, had been begun. Of the joint-stock companies formed in these years, moreover, it was the Latin American enterprises, more particularly the Latin American mining companies, some twenty-six in all, which were, as the American minister in London observed, 'the great objects of attention with monied men'.⁸

¹ William Parish Robertson left South America in 1834, became head clerk of Antony Gibbs & Sons, London, in 1839, consul for Peru in London in 1845 and consul-general for Ecuador in 1847. He visited Mexico on behalf of the Mexican bondholders in 1849 and is said to have died at Valparaiso in 1861.

² Decree of 4 Feb. 1824. *British and Foreign State Papers* (London, 1825-), xi. 864.

³ Sundry British Merchants to Canning, 21 July 1823, F.O. 72/283; Sir James Mackintosh, 15 June 1824, *Parliamentary Debates*, n.s. xi. 1381.

⁴ Memorandum on Arequipa, by Thomas Rowcroft, 18 Sept. 1824, F.O. 61/3.

⁵ Cf. *British Consular Reports*, pp. 93, n. 2, 117, 124, 129-30.

⁶ *Ibid.*, pp. 92-98.

⁷ *Ibid.*, pp. 26, n. 2, 23, n. 4.

⁸ J. F. Rippey, *British Investments in Latin America, 1822-1949* (Minneapolis, 1959), pp. 17-25; L. H. Jenks, *The Migration of British Capital to 1875* (London, 1938), pp. 46-49; Manning, *Diplomatic Correspondence*, iii. 1529.

What were the results? The 'Mexican and South American mining subscriptions, with only one or two exceptions,' wrote Tooke, 'proved to be a total loss of the capital paid.'¹ But the capital paid, by the end of 1826, was only a seventh of the authorized capital. Of the two companies with which John Parish Robertson was associated, the Famatina Mining Company and the Pasco Peruvian Mining Company, one had a paid up capital of £50,000, the other of £150,000. C. M. Ricketts, the British consul-general in Peru in 1826, thought that with prudence, skill, capital, and industry the mines of Peru and Bolivia could not fail to be restored to operation.² But prudence was not the distinguishing quality of the Boards of Directors in London, nor, perhaps, where they existed, of the managers in South America, and sums of the order of £150,000 turned out to be sufficient only to meet the original capital outlay and the costs of transportation to the mines and of preliminary works in difficult and disturbed conditions. Since the financial panic which swept the money market at the end of 1825 generally precluded the companies from making further calls upon their shareholders, in Peruvian and Bolivian mines, at any rate, there was no large investment of British capital to replace Spanish capital.

The loans, to quote Tooke again, also entailed a severe loss upon the subscribers, and heavy liabilities, it may be added, upon the borrowers. Their nominal value was over £21,000,000. But the amounts realized were very much less and the sums credited to the Latin American states very much smaller still.³ For a debt of £1,000,000, for example, the Province of Buenos Aires received less than £600,000.⁴ Most of this was spent, not on the objects originally intended, but on the prosecution of a war with Brazil. The loans, indeed, were employed for the most part in meeting previous obligations to British merchants and others and in current military and naval expenditures. Only small proportions were turned to productive purposes, and every Government had ceased to pay interest charges by the end of 1827.

Whoever profited from the loans—the Robertsons, for ex-

¹ *History of Prices*, ii. 159.

² *British Consular Reports*, p. 118. See also C. M. Ricketts to Canning, 16 Sept. 1826, F.O. 61/8.

³ Under £17,000,000 and perhaps £12,000,000 respectively. Rippy, *op. cit.*, pp. 20–22.

⁴ Woodbine Parish, *Buenos Ayres and the Provinces of the Río de la Plata* (2nd ed., London, 1852), p. 373; H. E. Peters, *The Foreign Debt of the Argentine Republic* (Baltimore, 1934), pp. 13–14, 16.

ample, and other financial agents—it was not the original investors; and it may be questioned also whether the Latin American states themselves gained immediately more than they lost eventually, in credit and reputation. The assistance which they had earlier derived, in arms, provisions, and supplies, from British and American merchants was solid enough. The European merchants, said John Miller, in the memoirs of his brother, General William Miller, were apt to assume ‘rather more credit than they were entitled to, from the circumstances of their happening to be the consignees of a few old ships, and of second-hand slops and stores’.¹ Perhaps they did, though I do not know what the evidence is for saying so. But, ‘second-hand slops and stores’ or not, without the resources which were made available through British and foreign trade in general victory would have been far harder to achieve. In this sense the opening of the ports of the continent to the trade of the world was an event of decisive importance. But the benefits which it brought were not unmixed. The competition of foreign goods bore hardly, for example, on the small domestic producers of coarse cotton fabrics or wines. A silver-producing region, such as Peru, found itself drained of bullion in exchange for consumer goods and weapons of war. Bullion to the value of nearly \$27,000,000 was shipped from Lima in British men-of-war alone between 1819 and 1825,² though some of this was refugee capital; and it was estimated that the ‘commercial capital’ of the country in 1826 was only a fifteenth of what it had been in 1800.³ Agricultural areas, on the other hand, such as the Río de la Plata and Chile, responded immediately to the new currents of foreign trade, the increased demand, and the larger markets for their products. Buenos Aires above all, as the gateway between Europe and the plains, showed the signs of social and economic change.

The British Government, in its negotiations both with Spain and with Spanish America after the close of the Napoleonic wars, sought no exclusive trading privileges for itself, however warmly these might have been welcomed by some of the British merchants. Nor, when independence had been won, did it propose to act as a debt-collecting agency on behalf of distressed British subjects. The complaints which it received were both loud and long. But, as the British consul-general in Peru observed, of the claims made against the Peruvian Government, the merchants

¹ John Miller, *Memoirs of General Miller, in the service of the Republic of Peru* (2 vols., London, 1828), ii. 221.

² See the table in *British Consular Reports*, p. 195.

³ *Ibid.*, p. 114.

had ventured 'in a game of lottery'. They had chosen to 'embark in speculations at a period of eminent risk'; sometimes they had 'assisted the royalists and at other times the patriots: and in all instances they were alone influenced by their own temporary advantage'.¹ John Miller said much the same thing. As 'men of business', he observed, 'these gentlemen were right to make the most of the market and their commodities; but then their claims to ardent patriotism, unmixed with views of profit, must be disallowed. It is true that many of them displayed that liberality of feeling which is generally found to exist in the commercial world; but in this case their sympathies and their interests went hand in hand. When these became unhappily at variance, poor Sympathy often went to the wall. . . . Thus, speaking of the merchants as a body, and within the sphere of their counting-houses, their pretensions to disinterested liberalism fall to the ground.' Nevertheless, added Miller, 'speaking of them individually, a very great many may be instanced as having given unequivocal proofs of their zeal and adherence to the cause of independence'.² It is a reasonable verdict.

¹ C. M. Ricketts to Canning, 10 June 1827, F.O. 61/11.

² *Op. cit.* ii. 221-2.