

Money Borrowing, Gold Smuggling and Diamond Mining: An Englishman in Pombaline Circles

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Abstract

This article sets out to investigate the nature and consequences of the personal relationship between the English parliamentarian, contrabandist, and diamond trader John Bristow and the Portuguese envoy in London and Secretary of State Sebastião José de Carvalho e Melo. A micro-historical enquiry of this relationship can clarify a number of key elements in the eighteenth-century Pombaline reforms. It shows that these policies were influenced by personal connections and pragmatic considerations, perhaps as much as they were by the prevailing mercantilist ideas and macro-economic circumstances.

Keywords

Economic History, Contraband Trade, Diamonds, Anglo-Portuguese Relations, Pombal

Resumo

Este artigo propõe-se investigar a natureza e as consequências da relação pessoal entre o parlamentar Inglês, contrabandista, e comerciante de diamantes John Bristow e o enviado Português em Londres e Secretário de Estado, Sebastião José de Carvalho e Melo. Um inquérito de micro-histórica baseado nessa relação pode esclarecer uma série de elementos-chave das reformas pombalinas do século XVIII. Mostra que essas políticas foram influenciados por conexões pessoais e considerações pragmáticas, talvez tanto quanto os seus protagonistas estavam pelas idéias mercantilistas dominantes e pelas circunstâncias macro-económicas.

Palavras-chave

História Económica, Contrabando, Diamantes, Relações Anglo-Portuguesas, Pombal

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The Anglo-Portuguese Relationship

Any history of Portugal's economy during the eighteenth century is partly a history of its relationship with England. Historians have written at length about the nature of this relationship (Noya Pinto, 1979; Fisher, 1971; Sideri, 1970; Macedo, 1963). Essentially, the Spanish threat forced Portugal to obtain a long-term military and political ally, while the English were perfectly able to use Luso-Brazilian markets to export their manufactured goods to. The imports of Brazilian gold and diamonds further served to widen the trade imbalance in the long run (Maxwell, 1968: 612; Macedo, 1963: 46-47). Whether the Anglo-Portuguese relationship established in the treaties of 1642, 1654, 1661 and 1703 (the Methuen Treaty) was beneficial (Fisher, 1963: 220) or detrimental (Sideri, 1970: 51-54) to Portugal's economy is a question that remains unresolved (see also the essays in Cardoso *et al.*, 2003), and contemporary voices already expressed their doubts about the nature of the economic relationship with England. The privileges that the English were granted, for instance, in their trade with Brazil, which had already been arranged on a monopolistic basis since the foundation of the *Companhia Geral do Comércio do Brasil* in 1649, were subject to scrutiny, and the country's dependence on England was discussed by contemporary economic thinkers and government officials.

Eighteenth-century economic reforms came to be strongly identified with the rise to power of Sebastião José de Carvalho e Melo, the future Marquis of Pombal. Portuguese historians still ponder the relationship between Pombal's actions and the wider historical context of the time (Hespanha, 2007; Monteiro, 2006; Subtil, 2007), but there is no doubt that Pombal's economic policies, while not entirely new, proved to be an important turning point in Portuguese economic history (Cardoso, 2005; Maxwell, 1995; Macedo, 1951). As José Subtil pointed out in his monograph on Pombal, Lisbon's 1755 earthquake was also a political earthquake (Subtil, 2007) and momentum was created to adopt economic policies that would lead to a stronger, and more nationalized, Portuguese economy (Pereira, 2009: 488-496). This enabled Pombal to maneuver himself closer to the king, at the center of political power (Monteiro, 2006: 81). From such a position, the new prime minister, who already had experience of foreign policy after diplomatic stints in London and Vienna and his appointment as minister of foreign affairs in the early 1750s, was able to implement an economic and political strategy intended to strengthen Portugal's national economy, particularly in its relations with England.

Because of this, Pombal's policy has often been labeled as "mercantilist", but it went further than that (Macedo, 1966). Mercantilist techniques, such as the foundation of monopoly companies, were applied in order to create a class of Portuguese merchants who could compete with foreign traders (Maxwell, 1995: 67). This did not mean, however, that Pombal sought to destroy the privileged relationship with the English; he merely wished it to be more equivocal (Maxwell, 1995: 66). He also wanted to curtail English contraband trade in Lisbon, as the outflow of gold to England was immense, which was considered to be detrimental to the Portuguese economy (Sousa, 2006). In order to fully apprehend Pombal's economic policy, it is crucial to understand its relationship with the previously established historical context of Portuguese dependence on English imports, traders, and shippers. Portuguese historians have rightly pointed out that it was not just Pombal himself who mattered, but that one also has to take into account the wider context (Cardoso, 2013; d'Azevedo, 1922). José Subtil argued that the agents of change after 1755 not only included Pombal, but also a network of "political accomplices" (Subtil, 2007).

One could, of course, expand this notion to include economic accomplices, and this article will be concerned with one such accomplice, remarkably enough an Englishman, whose relationship with Pombal dated from the time of the latter's stay in London as a Portuguese envoy. John Bristow was involved in trade with Portugal at that time, and would later move to Lisbon, where he became a well-known member of the English trade factory. This organization was founded in 1711 by 59 firms, which were mainly active in textiles, grain and the wine business, as well as general shipping and finance. Their business extended to the Portuguese colonies, Newfoundland, the Mediterranean and the home territory (Fisher, 1981: 23-44). The English factory in Lisbon was a legal entity, with the English Consul-General serving as its presiding officer. Disputes between English and Portuguese merchants were settled by a special judge. The trade factory had its own chapel and burial ground (Lodge, 1933: 225).² Membership of the factory was crucial for English traders who were active in Lisbon, and was not free of charge. An annual tax had to be paid, the amount of which depended on the total volume of trade imports made by a particular merchant (Walford, 1940: 33-36).

Many of these merchants acted on their own behalf, but they also worked as agents for firms in London. It was the Lisbon-based firm of Bristow, Warde & C^o that acted as an agent for the initially London-based trader John Bristow (Sutherland, 1984a: 372). Bristow was born in 1701, became a Member of Parliament in 1734, and acted as a director and

² The English cemetery, established in 1717, is located in Rua São Jorge in the southwest area of Lisbon.

governor of the South Sea Company between 1730 and 1761.³ Bristow was a man of a certain financial standing, as shown by his subscription of £150,000 in an English government loan in 1744 (Shaw, 1998: 89; Dickson, 1993: 289), but he lost his fortune in the aftermath of the 1755 Lisbon earthquake. In 1749, he was one of the partners in a company that also included Samson Gideon, a wealthy Jewish-turned-Christian financier, and Francis Salvador, a highly successful Anglo-Jewish diamond trader, and who was commissioned to deliver three million ounces of silver to the East India Company, to be used in the purchase of Indian diamonds.⁴ From the 1750s onwards, he resided in the Portuguese capital, and he died there in 1768, leaving a lot of financial debts behind.⁵ Before his fall, it is important to consider his rise within an Anglo-Portuguese context, a rise that had begun at a time when Pombal was active in politics, but not yet the powerful figure he was to become after 1755.

Brazilian Contraband from Lisbon to London

Gold was a central issue in the Anglo-Portuguese relationship. In the late seventeenth century, the discovery of gold deposits in the interior heartland of Brazil led to a true gold rush (Higgins, 1999: 17-42; Antonil 1967: 119-123). While this served to revitalize a Portuguese economy that was already in a state of crisis (Boxer, 1969: 456) and to balance the trade deficit (Godinho, 2005: 326), it also “provided England with a new and essential source of bullion” (Sideri, 1970: 49). In a good year, such as 1725, 20,000 kilograms of Brazilian gold reached Portugal (Godinho, 1953: 83), and Charles Boxer has suggested that between half and three quarters of that amount had found its way to England (Boxer, 1962: 157). The exact volume of Brazilian gold that made it to Portugal and England during the eighteenth century is not known, partly because of the difficulty in estimating contraband, and research continues to be undertaken to determine both the quantitative and qualitative ramifications of gold movements (Costa, Rocha and Sousa, 2010; Sousa 2000). Historians have long agreed on the imbalance that Brazilian gold helped to create or deepen in the Anglo-Portuguese relationship. It provided a boost to the English economy, by contributing to the monetization of England, or even, in the long

³ See <http://www.historyofparliamentonline.org/volume/1715-1754/member/bristow-john-1701-68> (consulted on 16/09/2015).

⁴ Entry on 21/03/1749, *Court Minute Book 63 E.I.C.*, British Library/India Office Records (BL/IOR), B/70, ff. 631-633. For Gideon, see Sutherland (1984b). Francis Salvador and his relationship with Bristow and the Portuguese government are discussed below.

⁵ Shaw (1998: 89). He figures as a character in a novel set in the earthquake-stricken Lisbon of 1755 (Müller, 2010).

run, to its Industrial Revolution, as pointed out by Adam Smith. Brazilian gold also proved to be an impediment to Portuguese economic development. John Richards, for instance, pointed out that the Brazilian gold rush contributed to the migration of 400,000 Portuguese to Brazil, one fifth of the total population of 1700, which was detrimental to Portuguese industry (Richards, 2003: 405). The growing dependence on English imports also prevented the development of a proper Portuguese industry (Sideri, 1970: 40-83), and no nation liked to see its bullion leave, whether it was gold or silver. In England, for instance, it was forbidden to export domestic bullion.⁶

English merchants became heavily involved in smuggling gold and bullion out of Portugal. Magalhães Godinho wrote that “the vessels of the King of England generally arrived in Lisbon at the same time as the fleets from Brazil, of course completely by chance. [...] During the night, a good part of the undeclared gold was unloaded onto the English vessels” (Godinho, 2005: 330). This practice led Malachy Postlethwayt to remark that the discontent of the Portuguese government with regard to clandestine bullion exports should not be exclusively blamed upon England. In his opinion, other countries benefited as much from Brazilian gold, because the English were transporters, taking the gold to different nations (Postlethwayt, 1774; Pedreira, 2003 and 1994). The Portuguese were well aware of the central role played by English ships in gold smuggling, which led to various clashes on the waterfront between Portuguese soldiers and English seafarers. King João V was even able to witness these quarrels from his palace window. English diplomats complained of Royal Navy captains accepting contraband gold and diamonds on board their vessels. Furthermore, the frequent announcements in English newspapers of the arrivals of Brazilian gold did not go unnoticed, and such indiscretion irritated both sides (Boxer, 1969: 464-469).

Bullion was not the only commodity that found its way into England illegally. Diamonds had been discovered in Brazil in the early eighteenth century. Their extraction was initially free, and older European trade networks distributing Asian diamonds quickly came to incorporate Brazilian stones (Vanneste, 2011: 50-57; Yogevev, 1978, Chapter 7). Diamonds were regularly smuggled in order to avoid the payment of duties. Diplomatic correspondence between English representatives in Lisbon and London shows that English merchants were heavily involved in the diamond contraband trade.⁷ English

⁶ The ban on the export of domestic specie is also noticeable in the shipments of silver made by diamond merchants to India. All the silver was foreign. *Court Minute Books 60-68 E.I.C. (1742-1760)*, BL/IOR, B/67-B/75. For the profitability of bullion trade with Portugal, see Sutherland (1984a).

⁷ For a description of a number of cases and the role played therein by the special envoy Lord Tyrally, see Francis (1985: 55-62).

merchants active in the Indian diamond trade shipped out jewellery, silver, coral, and polished diamonds, in order to obtain rough diamonds in return (Yogev, 1978). Considering the problematic nature of the remittances of Brazilian gold to London, uncut diamonds proved to be a good alternative, particularly considering their small size and the fact that the trade with Europe was not regulated until the 1750s.⁸ This fact was acknowledged by the English consul in Lisbon in 1732, when he wrote to the Duke of Newcastle, Secretary of State, saying that “as there is no Law in being against the importing of diamonds, & as they are more easily Concealed than Gold, I believe a great many have escaped the Kings Hands, & indeed less severity has been used for the discovery of them ... the Penalty of running Gold is very great, no less than Confiscation, with Banishment or the Gallies.”⁹

One of the merchants who found himself caught up in diamond contraband was John Bristow. In 1735, he wrote to the Duke of Newcastle, saying that precious stones had been seized on board a ship moored in the Lisbon harbor, and that a lawsuit was pending. Bristow urged the Duke to instruct Lord Tyrawly, the special English envoy to the Portuguese capital, to provide assistance.¹⁰ Seventeen years later, in early 1752, the Portuguese customs suspected that Bristow was trying to export bullion on board an English ship, the *Lyme*. On January 29, a customs officer came to Bristow’s house to inform him of the pending search of the ship for bullion. On the ship, it came to a confrontation with sailors, and guns were drawn.¹¹

English merchants, including John Bristow, complained that the law against bullion exports was old and obsolete and that its enforcement would greatly harm English trade.¹² They also expressed their grievances over the aggressive attack on Bristow’s house, in full sight of many people, based on what they claimed was false information. Lord Tyrawly was called upon to resolve the friction that had arisen, but he soon wrote to England that the merchants’ complaints were not substantial enough and that Bristow’s claims had no foundation.¹³ Furthermore, the merchant committee led by Bristow lost its support among

⁸ However, the mining had been organized as a monopoly since 1739 (Vanneste, 2011: 51).

⁹ Charles Compton to the Duke of Newcastle, 12/01/1732, Lisbon, National Archives, State Papers (NA/SP) 89/37, ff. 141-145, on f. 142r.

¹⁰ Duke of Newcastle to Lord Tyrawly, Whitehall, 28/10/1735, NA/SP 89/36, ff. 190-192.

¹¹ *A narrative of the reasons, which constrained the underwritten Bristow’s, Warde & Company to the Committee of the Factory (no minister or consul from His Majesty being then resident here) for their assistance and support in so critical a situation*, Lisbon, 22/06/1752, BL, Add. 23634 (Tyrawly Papers; Correspondence of Lord Tyrawly when ambassador in Portugal, 1752-1757), ff. 86-87.

¹² Committee of the English factory to Lord Tyrawly, Lisbon, 22/06/1752, BL, Add. 23634, ff. 104-105.

¹³ Lord Tyrawly to Lord Holderness, Lisbon, 25/06/1752, BL, Add. 23634, ff. 106-111.

the other members of the English Factory, who labeled them as “silly Ignorant wrongheaded men.”¹⁴ Bristow’s actions were seen as “intrigues.”¹⁵

Encounters in London: Money & Politics

For John Bristow, however, it did not matter much that he had fallen out of favor with his colleagues. By the time it happened, he could rely on a powerful ally, the Marquis of Pombal. Named Secretary of State for Foreign Affairs and War in July, 1750, Sebastião de Carvalho e Melo quickly set about reforming Portugal’s economic and imperial policy. His desire was to “fortify the nation’s bargaining power within the Atlantic commercial system” (Maxwell, 1995: 67), and to that purpose he used “mercantilist techniques” to create a national bourgeoisie of Portuguese merchants who would eventually have the financial and commercial power to challenge foreign traders (Madureira, 1997b; França, 1983; Carreira 1983).

Pombal’s plans to improve Portugal’s economy through the strengthening of a national commercial class did not, however, exclude the participation of foreign merchants and financiers, as long as they served under the Portuguese political order. He was sufficiently pragmatic in his approach not to alienate the English interest in Portugal, and a Portuguese official wrote to Bristow about the smuggling case, saying that the English merchants did not need to fear bad consequences, as he was assured that the Secretary of State was well aware of the commercial interests at stake.¹⁶ Three months later, the merchants involved wrote to Lord Tyrawly that Pombal had personally intervened, asserting that the consequences would be dangerous if Portuguese authorities tried to stop the bullion exports to England.¹⁷

Pombal’s pragmatic attitude is not so difficult to explain in the light of early modern Anglo-Portuguese relations, but in most historiographic contributions on Pombal’s economic reform, his development of a direct relationship with actual English merchants as a tool in his policy has remained virtually ignored. In order to comprehend Pombal’s efforts to create a strong Portuguese mercantile class in order to assert Portugal’s place in the greater economic system to its own advantage, it is important to understand what steps

¹⁴ Johan Mayne, Isaac Mollortie, Tom Chace, Phillip Jackson, S.I., S.d., BL, Add. 23634, f. 159.

¹⁵ *Ibid.*

¹⁶ Antonio Luiz de Oliveira to John Bristow, Lisbon, 18/03/1752, BL, Add. 23634, f. 38.

¹⁷ A narrative, Lisbon, 22/06/1752, BL, Add. 23634, ff. 86-87.

he took, and which people he decided to rely upon. John Bristow was one of these people, and, considering his background in smuggling, an unlikely but perhaps suitable candidate.

Pombal and Bristow had known each other from the time when they both lived in London, the former as a diplomatic envoy, and the latter as a merchant actively involved in trade with Portugal. When Pombal arrived in the English capital in 1738, the residence of the Portuguese ambassador was in a poor condition. In 1740, he requested permission to move to a more expensive residence, which also had a chapel. The purchase of that house and the necessary repairs would cost 9,000 *cruzados*. In November, 1740, the decision was made to rent the house, located in Audrey Street. The person who paid the deposit to the landlord was Francis Salvador.¹⁸ Salvador was one of the most successful diamond merchants of his day, with a large stake in the trade with India.¹⁹ He came from a Sephardic Jewish family that had left Portugal for Amsterdam and London in the seventeenth century, but he had maintained a connection with the Portuguese government. When the discovery of Brazilian diamonds led to a fall in prices on the European markets, Francis Salvador was asked for advice by Portuguese officials. His suggestion to close down the Brazilian mines entirely was taken up by the Crown between 1735 and 1739. In retrospect, Pombal thought this advice came from Salvador's interests in the Anglo-Indian diamond trade, and he remarked in a later manuscript dealing with a history of the diamond trade that it "brought the famous Hebrew great joy." A few lines later, he labeled Salvador's suggestions as "sinister counsel."²⁰

At the time, however, Portuguese officials seemed content with Salvador's services, and even sought to use them a second time. In 1738, the Portuguese had to deal with the Maratha invasion of the island of Salsete, off the coast of Bombay. It was the year in which Pombal had taken office in London, and through the intermediation of Salvador, he started talking to the directors of the East India Company, at Salvador's house.²¹ The failure of a plan to send English ships to assist the Portuguese settlement on Salsete led Pombal to consider the idea that Portugal should take care of itself, and that a *Companhia Geral do Oriente* should be founded. To that end, Francis Salvador was instructed to purchase ships

¹⁸ Antonio Guedes Pereira and Marco Antonio de Azevedo Coutinho to Sebastião José de Carvalho e Melo, Lisbon, 20/02/1742, BL, Add. 20800 (*Cartas diplomáticas de Lisboa para Londres; 1738-1745*), ff. 342-43.

¹⁹ For more on the Salvador family, see Woolf (1962-1967) and Vanneste (2011: 124-139 and 150-162).

²⁰ "cauzou ao dito Famoso Hebreo huma grande alegria" and "os seus sinistros conselhos," *Dedução Compendiosa dos Contractos de Mineração dos diamantes; dos outros contractos da Extração delles; dos cofres de Lisboa para os Payzes Estrangeiros; dos perigos em que todos laboravam e das Providencias, comque a elles occorreo o senhor Rey Dom Joseph para os conservar*, S.d., Biblioteca Nacional Lisbon, Coleção Pombalina (BNL/CP), Códice 695, ff. 306-80, on f. 311r.

²¹ Sebastião José de Carvalho e Melo, London, 02/12/1738. BL, Add. 20798 (*Cartas diplomáticas de Londres para Lisboa 1738-1739. Cartas de oficio ao Secretario do Estado e scriptas por Sebastião José de Carvalho e Mello desde a cidade de Londres no anno de 1738*), ff. 26-28. See also the letters from 21/11/1738 and 15/12/1738.

on behalf of the Portuguese government.²² In February, 1740, news began to circulate that Francis Salvador had bought the warship Cumberland, which was to sail to Macau.²³

Things turned sour when Salvador reclaimed the loans that he had made for obtaining and repairing the Portuguese envoy's residence. Two repayments were made to him in 1745, and although work on the chapel ended in 1746, Portuguese officials did not make any more efforts to repay Salvador.²⁴ Instead, they complained about the pressure put upon them by the Jewish diamond trader.²⁵ In November, Francis Salvador wrote directly to Pombal to resolve the issue in a friendly manner.²⁶ A month later, nothing had changed: "Francis Salvador persecutes me strongly about delivering the new chapel [for use], for which he has the keys, but I answer him that I will not do so without the orders of Your Excellency."²⁷ It seems that the lack of haste on the Portuguese side had to do with a shortage of financial means, which had made them turn to Salvador in the first place. In order to obtain the necessary sum, the merchant John Bristow was consulted. After some talks, Bristow was prepared to lend money to the Portuguese government, and, in February, 1747, Francis Salvador was finally reimbursed the sum of £2,417.²⁸

The Diamond Monopoly: Families of Trade, Foreigners of Influence

It seems that Pombal had not forgotten Bristow's financial help when he came to the latter's rescue five years later. More than just simply pressuring Portuguese customs into letting the Bristow affair go, Pombal decided to incorporate John Bristow into one of his plans to reshape the Luso-Brazilian commercial system. When the Brazilian diamond mines re-opened in 1739, the business of extraction became a monopoly (Ferreira, 2009). Between 1749 and 1752, it was in the hands of Brazilian-born Felisberto Caldeira Brant. In 1751, however, Caldeira Brant fell from grace as it became known that he was heavily involved in smuggling and corruption. At the same time, Pombal was negotiating at the

²² "Com Francisco Salvador continuey as conversações depois de o conhecer intereçado na Companhia," Sebastião José de Carvalho e Melo, London, 20/01/1739, BL, Add. 20798, ff. 85-87.

²³ Antonio Guedes Pereira and Marco Antonio de Azevedo Coutinho to Sebastião José de Carvalho e Melo, Lisbon, 19/02/1740, BL, Add. 20801 (*Cartas para Londres 1738-1742*), ff. 5-7.

²⁴ Francisco Caetano to Sebastião José de Carvalho e Melo, London, 30/12/1745, BL, Add. 20797 (*Cartas de Londres 1745-1747*), ff. 83-85.

²⁵ Francisco Caetano to Sebastião José de Carvalho e Melo, London, 12/08/1746, BL, Add. 20797, ff. 178-179. See also the letters of 16/08/1746 on ff. 180-181, 23/08/1746 on ff. 192-193 and 16/09/1746 on f. 197.

²⁶ Francis Salvador to Sebastião José de Carvalho e Melo, London, 04/11/1746, BL, Add. 20797, f. 218.

²⁷ "Francisco Salvador me persegue fortemente para que tome entregue da Capella Nova, de que elle tem as chaves, porem eu lhe respondo que o não faço sem ordem de V.E.," Francisco Caetano to Sebastião José de Carvalho e Melo, London, 09/12/1746, BL, Add. 20797, ff. 229-30.

²⁸ Francis Salvador to Sebastião José de Carvalho e Melo, London, 16/02/1747, BL, Add. 20797, ff. 257-58.

Lisbon court with the previous contract-holder, Portuguese-born João Fernandes de Oliveira. The latter was awarded the new contract, but Brant's clandestine activities had led to a failure of credit links that stretched all the way to Lisbon. Pombal decided to change the manner in which Brazilian diamonds were traded in Europe, a practice that had hitherto been free. In a manuscript concerned with the history of the Brazilian diamond trade, he wrote that he gave himself eight days away from the royal court to come up with a plan, a period "in which I could be locked in my office, without being interrupted."²⁹

Pombal wanted to turn Brazilian diamond trade in Europe into a separate commercial monopoly, and one of his motivations was to construct a Christian trade network in opposition to the Jewish merchants who dominated the diamond trade.³⁰ In his mind, the company that would receive this privilege had to be Dutch or English, in view of their expertise, credit, and capital. The name John Bristow came to the fore. He had already proposed to offer the Portuguese government the 700,000 *crúzados* they needed to reimburse the protested bills of exchange that had been used by Felisberto Caldeira Brant to obtain credit. In February 1753, almost one year after his involvement in the smuggling of bullion to England, the king agreed to Bristow's proposal and granted him the monopoly to sell Brazilian diamonds for a period of six years.³¹ The contract was signed on the tenth of August 1753, and its contents were to remain secret.³² Bristow wasn't the sole party in the enterprise, as he had established a partnership with the Dutch merchant Herman Joseph Braamcamp, a former representative for Prussia at the Portuguese court, who had tried in vain to obtain the mining monopoly a few years earlier.³³ Four days later, news was already spreading in Lisbon. A Huguenot firm wrote to its correspondent in Antwerp, stating that "the House of Bristows Warde & C^o it is said is contracting some say for the Brazeel diamonds that are actually in the King's coffers in the mint of the old contract and others say that tis for thozе that are to come of the new."³⁴

It seems that Pombal's pragmatism in relation to the English had catapulted a smuggler at odds with his fellow merchants into a very powerful position. But Bristow's luck would not last for long. News reached Pombal that Bristow's company had associated

²⁹ *Dedução*, f. 324r.

³⁰ *Dedução*, f. 326v.

³¹ *Dedução*, f. 330v.

³² Alvará de 11/08/1753, Arquivo Nacional da Torre do Tombo, Lisboa, Collecção de Leis, Maço 4, N^o144.

³³ *Dedução*, ff. 324r-326v. See also Brandão 2002: 144

³⁴ Berthon & Garnault to James Dormer, Lisbon, 14/08/1753, Felixarchief Antwerp, IB1652. They confirmed Bristow's involvement in the contract as well as the participation of Herman Braamcamp's brother Gerard in Amsterdam on 09/10/1753.

itself with the Jewish trader Francis Salvador.³⁵ Pombal disliked the Jews, and held a personal grudge against Salvador. To make matters worse, the earthquake that struck Lisbon in 1755 led directly to the bankruptcy of Bristow, Warde & C^o, and Bristow could no longer fulfill his contractual obligations, leading to a termination of the contract in 1756. Portuguese officials were instructed to look for merchants in London who could take over the contract, which would remain in foreign hands until the end of the century.

Together with a sustained Anglo-Dutch presence in the diamond trade, Pombal also incorporated Portuguese merchants into the administration of the diamond contracts, a strategy that was very much in line with his attempts to create a national commercial bourgeoisie to occupy key positions in Portuguese industries and trade monopolies. José Francisco da Cruz and José Rodrigues Bandeira were appointed as diamond administrators in Lisbon,³⁶ positions that their families continued to hold until the end of the eighteenth century (Rodrigues, 1982: 19). Pedro Quintela became the monopoly holder in 1790, purchasing 158,168 carats of diamonds between 1791 and 1800 (Rabello, 1997: 177). Members of these three families represented 29 per cent of the financial value of investments in Brazilian diamonds to be paid back in 1770.³⁷ These families were part of the *grupo dos tabaqueiros*, people involved in the tobacco contract, including also the Ferreira, Fernandes Bandeira, Machado, Braamcamp and other families (Pedreira, 1996: 361; Costa, 1992; França, 1983). They were also involved in the *junta do comércio*, the Pernambuco and Grão Pará & Maranhão trading companies, and several Lisbon factories (Madureira, 1997a; Maxwell, 1995: 74-75; Nunes Dias, 1968: 37; Macedo, 1951: 141-143).³⁸

Brazilian diamonds were an important commercial connection between this Portuguese commercial oligarchy and a number of foreign traders, but these groups also became linked socially, through marriage. Anselmo José da Cruz, the brother of the diamond administrator José Francisco, had a daughter who married Geraldo Wenceslão Braamcamp, the son of Herman Braamcamp, who had been involved in the first diamond trade monopoly together with John Bristow, and was a director in the Pernambuco Company (Maxwell, 1995: 74). Geraldo later became the first Baron of Sobral (Affonso and Valdez, 1988: 350). Daniel Gildemeester, the holder of the diamond monopoly between 1761 and 1783 had a son who married Maria Teresa Machado. Earlier, Daniel had

³⁵ Dedução, f. 337v

³⁶ Dedução, f. 346r.

³⁷ *Letras sobre o contrato dos diamantes que há para pagar, e dias dos seus vencimentos* (1770). BNL/PB, Códice 691, f. 18.

³⁸ On Anselmo José da Cruz and his two brothers, see Lisboa (2009).

opposed the marriage of one of his sons in a conversation with a Quintela (Bombelles, 1979: 129-130).

This confirms that foreign merchants could rise to important commercial positions within the Portuguese economy, but not without becoming linked to a cosmopolitan Portuguese bourgeoisie. A simple dichotomy in which Pombal tried to push Portuguese merchants into influential commercial positions at the expense of foreign traders cannot be maintained as an explanation. While Pombal's policies need to be inscribed in a wider historical context in which Portugal's commercial dependency on England was questioned, it is also important to acknowledge Pombal's pragmatism and his readiness to include contacts from his English days in the circles of his political and economic accomplices.

Conclusion

Historians studying the development of the Portuguese economy in the eighteenth century have rightly stressed the importance of the historical context of Anglo-Portuguese relations and the cataclysm of 1755, which led to a Portuguese diplomat becoming the most prominent figure in the higher echelons of government. While there is no doubting the importance of analyzing these events within a wider international economic context, a micro-historical approach that looks at relationships between people rather than at relationships between economic and political structures can be equally revealing.

The Marquis of Pombal's efforts to build a Portuguese merchant class ready to compete with foreign traders in terms of finance, commercial power and industrial development were a logical consequence of re-thinking the century-old relationship between England and Portugal within a "mercantilist" framework. It should, however, be remembered that Pombal was pragmatic enough to understand that the expansion of the Portuguese economy on these terms could never take place without preserving the Anglo-Portuguese relationship, and without benefitting from the personal experience and capital of a number of well-to-do foreign merchants. It remains remarkable, however, that his decision to rely upon English commercial expertise brought Pombal to John Bristow, a known contrabandist. This cannot be satisfactorily explained within the traditional narrative of Anglo-Portuguese relations. Looking at personal relationships hints at an interdependency of foreign and Portuguese merchants that was economic, political and socio-cultural. Much of this came to fruition because of Pombal's English past, and the connections he had maintained from that period.

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Received for publication: 15 September 2014

Accepted in revised form: 6 November 2015

Recebido para publicação: 15 de Setembro de 2014

Accete após revisão: 6 de Novembro de 2015