

He had also enjoyed a long conversation with Sir George Grey — 'a splendid old man', who remembered Sir John Molteno very well:

JCM knew Sir George Grey well

While I sat talking to him, he suddenly said, 'As you sit there I am reminded of the way in which I sat discussing the affairs of South Africa with your father away down in the Karoo; and now you, his son, are talking to me here. Your father and I adhered to what we then thought and acted consistently afterwards on those lines.' As you know perhaps he has always expressed to me his condemnation of the whole plan by which administrative powers were given to the Chartered Company, long before this trouble took place. His forebodings were correct; and what a confirmation of Mrs. Olive Schreiner's pamphlet have been these events of the New Year!!!

Percy had seen the importance of Hofmeyr's breach with Rhodes. His letter about it and his reasons for it, he wrote, had been a serious blow to those who were attempting to free Rhodes from complicity. He thought James and Charlie should try to get Schreiner to work with them and with Hofmeyr.

Don't spare Sprigg. It is amusing to see him and his lot sticking on when Rhodes, their leader, is kicked out. The attempt you spoke of to embroil the Transvaal with England is evidently being made, and I am not very sure of Chamberlain. Our Government here is very mad in going into this Egyptian business. It is impossible to say whither it will lead them or us.

He was eager to have all the political news and views his brothers could send him, as he could make good use of them. Telegrams in *The Times* from the Cape were reporting that the Afrikaner Bond was backing Kruger in an effort to get rid of the British connection. This he felt sure was untrue; but South African shares had fallen heavily, and would not improve while such rumours continued.

Meantime Percy, after making the modifications required by the Jameson Raid, had completed his first book; and on May 13th he received copies from the publishers, Sampson Low, Marston & Co. The title page ran as follows:

1896

TL

Percy's 1st Book

1896 (just after the Raid)

To Do: Read

A  
FEDERAL SOUTH AFRICA

A comparison of the critical period of American history with the present position of the Colonies and the States of South Africa, and a consideration of the advantages of a Federal Union

By

PERCY ALPORT MOLTENO, LL.B.

of the Inner Temple, Barrister-at-Law, and Advocate of the Supreme Court of the Cape of Good Hope.

The book was by permission dedicated 'To that noble Englishman, Sir George Grey, who first endeavoured to combine the scattered populations of South Africa'.



But to be just after  
for name

In an interesting preface the author described his work as an 'attempt to give definition' to the vague ideas of Union which were in the air. The success of America's federal constitution should give them confidence, he thought, to proceed to a similar remedy for the growing dangers in South Africa. The difficulties in his opinion were not so much racial as political — in proof of which he cited the fact that the two independent Dutch Republics, the Transvaal and the Orange Free State, had never succeeded in uniting together.

The book starts with a survey of British Government in South Africa and of the similar problems which beset America after the War of Independence. Then follow chapters on the advantages which union would confer upon South Africa and of the form of federation which would be most appropriate, a form which would maintain the independence of the individual States in matters of local concern.

For federal machinery and federal courts the precedents of the United States and Canada are cited. There should be no titles of nobility, and no obstacles to internal free trade. Leading authorities on the proved advantages of federal government are freely quoted, and the planning of a constitution which would secure peace for the whole of South Africa is put forward as a noble and inspiring ideal.

His book brought interesting correspondence from leading politicians at home and in South Africa. On April 20th, 1896, James Bryce wrote from his house in Portland Place that a rapid glance had already enabled him to see

what a comprehensive view of your subject you have taken, and in how fair and large a spirit you have treated questions which are apt to be dealt with in a partizan and prejudiced way. . .

. . . I have just published in the *American Forum* an article on the constitutions of the two Dutch Republics: it does not, however, include the international questions you refer to. I shall hope for an early opportunity of talking with you again over these matters.

The Jameson Raid and its sequelæ dominated South African politics for the rest of the year. On May 31st, 1896, J. G. Kotze, then Chief Justice of the Transvaal, wrote from Pretoria:

I have to thank you for your memo., embracing the result of your interview with Mr. Chamberlain. I have mentioned this *privately* to our Government. Your book has also come to hand. I have read it with much interest, and trust that it will tend to a better and more correct view of the South African problem being taken by the outside world. The mail is just in, and has brought us Sir William Harcourt's last and great speech on the situation. It is a masterpiece, and will, I hope, help to save the honour of the English nation. Chamberlain's reply was lengthy, cute and unconvincing. To say, as he did, that men like Rhodes have made the history and dominion of the Empire is a polite way of saying that in the opinion of Mr. Chamberlain the British Empire has been gained by fraud and treachery. The good start, which we were led to expect that

was a book on voluntary federation in SA  
The Jameson Raid was politically a

Chamberlain was making, has ended in disappointment, and (as he himself observed) South Africa is the grave of reputations.

Kotze held that the first friendly movement ought to come from Chamberlain, and suggested that he should send Sir Hercules Robinson back to South Africa without delay so that he and Sir Henry de Villiers could go to Pretoria and treat amicably with the Republic. A letter from de Villiers followed on June 17th, 1896, thanking Molteno for 'your kindly congratulations on my appointment as Privy Councillor and also for the book' which he had read with much interest. 'You are more sanguine', he wrote, 'as to the prospects of a Union than I am; but I presume that the book was written before Jameson's foolish and wicked raid darkened those prospects.' As to the actual situation and the right policy De Villiers' views accorded with Molteno's:

At present there is much ill-feeling in the Transvaal and the Orange Free State against this colony. If both Houses of the Cape Parliament had united in condemning not only the Raid but also those who are responsible for the Raid the Republics would have been satisfied. Unfortunately Schreiner's long-winded resolutions are regarded as a condonation rather than a condemnation of the Chartered Company. . . . I am glad that you are doing all you can to urge moderation, patience, and forbearance.

Cape politicians  
- people divided  
on issue

In the following month Percy heard from his friend John Robinson, a member of the Legislative Council of Natal, who wrote from Pietermaritzburg of the 'special interest' with which he had read *Federal South Africa* and his hearty sympathy with Percy's contention 'that South Africa should be left free to control and shape her own internal destiny by her own hands and through her own representatives,' though she could not for a long time dispense with the protection of the British Navy. As for the recent crisis

Percy's Position

Self-Determination  
@ Voluntary Nat

the more we regard Jameson's Raid, the more inexcusable, wanton and wicked does it seem to be. It has directly borne fruit in the bloody outbreak in Matabeleland and Mashonaland and in a feeling of unrest in the native mind all over South Africa, which causes constant anxiety and apprehension. You have earned our thanks for having put forward so timely and moderate an exposition of historical facts and phases that are too much forgotten. When we travelled home together how little did we realize what the course of history was going to be!

Family and business affairs occupied most of Percy's attention during the remainder of the year 1896. In reply to a letter from his farmer brother Wallace he wrote a long, affectionate and generous letter in May. He was going to order seeds from Holland for Wallace along with his own. He was looking after some of Wallace's gold shares and was going to sell them as soon as the market became better; for 'it is not a kind of investment which you, with limited means, ought to hold'. Wallace, he thought, was farming with too small a stock to make it pay, and Percy offered to advance him £500. He added:

Percy's Relations  
with Wallace  
- late 1896

TL

I note all you say about the strong feelings roused by the Raid, and I deplore them very much. All wise and discreet men will do their best to calm them and put an end to them, so as to restore the mutual good feeling and confidence as they existed before. I am very glad to learn that you get on well with all your neighbours. You must make great allowances for the conditions of isolation and solitude in which many of those about you have had to live for generations.

In the summer of 1896 a disaster befell the *Drummond Castle*, and on July 16th Percy wrote to his friend Juta, a publisher in Cape Town, thanking him for a letter of sympathy: 'It was a terrible affair and a very severe blow to Sir Donald Currie, who has never spared money or personal pains to make the ships as perfect and safe as possible.' The disaster, he wrote to another friend, had meant 'a very sad and trying time to all of us here and has entailed an enormous amount of work upon us and our staff'. It was a terrible blow to Sir Donald Currie. The disaster spoilt a long holiday he had hoped for in Switzerland and interfered with the work on his father's *Life*, which he feared now would not be ready for a long time.

A letter to his brother Frank shows how hotly he felt about the Cape Ministry which had succeeded that of Rhodes.

Your Prime Minister [he wrote] arranged an unjustifiable attack on the Transvaal, yet your government has made no apology; your public prints are excusing, or even eulogizing, Mr. Rhodes, and public meetings are held at which he is praised.

Trial After the trial of the Raiders in London<sup>2</sup> at the end of July he was a little consoled, 'I am glad the jury did their duty, as I always said a jury here would'.

His business correspondence sometimes affords amusing glimpses of the minor problems that a conscientious director of the Castle Line had to solve. Thus in July, 1896, he wrote to one who was nervous about the safety of her two cats:

Percy's attention to detail re Shipping Your note of 12th inst has reached me safely. Don't apologize please for asking these questions. We are here to do our best and make things easy for the travelling public!

I have arranged for you to take the two Persian Cats (which I hope are really good ones for Mrs. Buissinne's sake) free of any freight. The butcher will take care of them for you. To make this quite clear I send you herewith a Parcel Ticket which will enable them to be put on board and hold you free.

A similar letter went out on the same day to a Surrey neighbour who wanted to take out chickens.

I will arrange [he wrote] not to charge any freight, but will ask you to take only about a dozen, which would go best in two cages fitting one on top of the other. It would be necessary to provide for the food for them yourself, but the feeding and care of the food would be arranged for by us with one of the crew.

<sup>2</sup> Before Lord Chief Justice Russell.

1896  
Drummond  
Castle  
Wreck  
Sir D.  
Currie  
Safety

Mr. J.  
Pople

ms

7

Here is another (August 21st) to a friend:

Cow

I send you herewith a document to enable you to take delivery of a cow which I have shipped for your father at his request on the Dunottar Castle. You will only have to present this to our office at Cape Town to get a release for the cow. She is a valuable animal, one of the Duke of Northumberland's herd, and I hope she will arrive safely.

In the autumn of 1896 South African farmers were suffering from the rinder-pest; but this did not diminish Percy's confidence in South Africa. He was investing a good deal of his own and Sir Donald's money in various South African companies. At this time the markets were depressed; even Beit and Barnato were in low spirits and would not enter on new business while Stock Exchange conditions were so bad. Nevertheless Percy wrote to Charlie on October 22nd with reference to some land which his brothers thought of selling:

Percy investing in SA companies

You will all have a fortune by this land, if you will only hold and not sell now, tempted by a small profit — though a good one — on what you gave. Remember what I told you about the people going out; it will tell enormously in two or three years' time.

After the Lord Chief Justice's summing up (July 28th, 1896) at the trial of Dr. Jameson, Percy had an interview in the middle of August with Lord Rosmead (Sir Hercules Robinson), who believed Chamberlain's statement in the House of Commons on August 11th that he intended to pursue a course of patience and conciliation. To W. P. Schreiner, with whom he was corresponding, Percy stated very frankly his regret that the Cape Parliament had failed in its duty to the Transvaal, in that no explanation or apology for its late Premier's action had been forthcoming, nor had Sprigg's Government done anything to vindicate the Colony's honour. 'Now we have Jingo meetings and cheers for Rhodes.' This was not the way to restore good feeling between the Cape and the Transvaal. It came of leaving the government of the Cape in 'the hands of men who were not sufficiently straight-forward and high-minded' to do their painful but plain and obvious duty of censuring Rhodes. This must be done without 'squeamish wavering'. Then he went on:

Percy in London many Cape ppl - Schreiner men his brother (to NOT Hofmeyr

Your speech on moving the adoption of the Report of the Committee was very excellent except at the last when you said 'the aims were high'. No aims of any high character were proved in the evidence.

Finally he implored Schreiner to unite with Merriman to turn out the Sprigg government.

In December of this year, 1896, he wrote to another distinguished friend at the Cape Bar, Mr. Rose-Innes, in praise of his outspoken letter to the Cape Times which the Standard of December 10th had published in full. Such letters by public men would guarantee the 'gradual and peaceful healing of the wound made by the Jameson Raid'. Some of Mr. Rhodes's friends in England were trying to give him a certificate of character in advance

Rose Innes Percy a friend of Rose Innes 40 yrs later (1936-37) Rose Innes & Donald rep'd ANC together

of the Committee's Inquiry into the Raid. But Mr. W. T. Stead's latest effusion, called the 'History of the Mystery' would he thought do little service to Rhodes; for 'his attempt to show that Mr. Chamberlain knew beforehand of the Raid has utterly failed'. On this point Percy had to revise his opinion.

In January, 1897, Moltano wrote to Merriman congratulating him on a meeting at Stellebosch which had been held to protest against the ovations to Rhodes and the cheers for Jameson which had been given at the Cape when Rhodes returned from Matabeleland. 'I was extremely pleased', he added, 'to see Innes's letter taking his name from the Rhodes Reception Committee.' J. W. Sauer was over in England. Moltano had had several talks with him and thought he had done much good. Meanwhile there were reports that the Transvaal was arming for defence, at which Percy could not wonder, seeing that Jameson's Raid was the second attempt on its independence during his lifetime. His brother-in-law, Dr. Murray, was anxious about the growth of anti-English sentiment among the Dutch. Percy replied that matters would mend quickly if they could get rid of intrigue and flag waving. But he was fully alive to the perils of the situation both in England and at the Cape.

At this time Lord Rosmead had unfortunately been compelled by ill health to resign the office of High Commissioner and Governor of Cape Colony, and Sir Alfred Milner was appointed in his stead.

Meanwhile Percy went on urging concerted action among all who condemned the Raid in South Africa, and as the Raid Inquiry proceeded, he was more and more convinced that salvation would depend on the Cape Parliament and on the formation of a peace and conciliation government. This is the burden of his letters to Sir Henry de Villiers, Sauer, Merriman and others throughout the spring of 1897.

On March 19th he wrote to his brothers:

I met Sir A. Milner at lunch the other day, and had some talk with him — a courteous, intelligent, high-minded man with evidently a strong sense of duty and very approachable. But I am not certain whether he has width and grasp enough of mind to get hold of the complicated situation, nor perhaps will he be ready and able to bend his honourable mind to discover the trickery of some with whom he must come in contact.

In another letter he summed up Milner as 'a fine man; but whether he or anyone can cope with the difficult position it is impossible to predict'.

How difficult and critical were the times through which the Cape was passing appear in letters from his sisters, Caroline and Maria. There was so much irritation and ventilation of grievances on both sides, wrote Caroline on March 14th, that she constantly heard people 'who had no idea what war meant' saying 'things will never be right till we have had a war'. She added:

I see from Betty's letters that you are seeing something of Olive Schreiner. There are very unfavourable criticisms of Peter Halkett in the papers here. There are

*Handwritten note:* Percy a friend of Olive Schreiner (Betty's sister by his friend, W.P. Schreiner)

*Handwritten notes:* th  
Milner  
opposed  
1897

*Handwritten note:* Percy's early view of Milner

*Handwritten note:* Moltano

*Handwritten note:* Dr Murray's view

nearly always expressions and things she says which I wish she had not put in. In one quiet talk in the woods at Claremont House just before she left for England I liked her very much.

Caroline me  
Olive too

Two days later Maria wrote in much excitement about the Raid Inquiry. She thought Sir Graham Bower had not come out of his examination at all well, and felt sorry for him and for his friend, Lord Rosmead. From all accounts, she added,

Maria  
privately  
awake too

→ Milner  
they are sending us a very good Governor. I wonder what he will think of our present beautiful Ministry. I think he will be much disgusted when he finds with what kind of men he has to work.

Frank was staying with Percy in London at this time, and they heard with dismay that Wallace was contemplating an adventure in Rhodesia. Percy wrote to him at once, April 2nd, 1897:

Wallace  
Thinking of  
going to  
Rhodesia  
brothers off

I am sorry to hear from Maria that you are thinking of going to Buluwayo or Salisbury. I do hope you will not do anything so foolish. Food there is so costly that no private individual can live there. Carriage from the railway terminus to Buluwayo was recently £120 per ton. Besides there is no payable gold there so far. If you want to go out of the Colony, go to the country near Johannesburg where farming pays well; and I can send you letters to various people there who can help you. But why don't you get a farm near Cape Town where you would have better society and a fine market for your produce? For Heaven's sake don't go to a more isolated and worse conditioned life where fever adds to your troubles. Take it from me it would simply be madness for you to go there.

In the middle of April Percy left for the Continent and did not return until July. On the 4th of that month he sent a letter to the *Westminster Gazette*, signed Observer, on the dismal failure of the South African Committee to call important witnesses and to insist on the production of the most vital evidence. They had

Percy's long  
#howays

preferred the reputation of individuals to the honour of their country and of the Empire. . . . A true and honest investigation, followed by an outspoken report, would have done far more to strengthen our influence in South Africa than a hundred thousand bayonets. To-day suspicions are rampant and confidence is absolutely shaken in the honour and good faith of British statesmen.

As for the debate on the Raid report and Chamberlain's whitewashing of Rhodes, they were too bitter a subject for him to write about. 'It makes one almost despair', he confessed to Merriman; but he went on encouraging all his friends at the Cape to put all their strength into the electoral struggle, which was to end in October, 1898, in the defeat of Sprigg's Progressive Party by a narrow majority and the formation by Schreiner of a Ministry which, but for Milner, might have saved the situation.

Oct 1898  
Schreiner  
becomes  
PM

To understand Molteno's attitude and the stand he

afterwards took against the Boer war we must return to the situation which began to develop in London, Cape Town and Pretoria after January, 1897, when the House of Commons appointed a Committee to inquire into the Jameson Raid.

Cecil Rhodes was summoned to London to give evidence. By that time President Kruger's natural, but impolitic reluctance to make political concessions to the Outlanders at Johannesburg and his own successful settlement of the Matabele rebellion, had caused a revulsion of feeling in Rhodes's favour; and when the culprit started home to 'face the music' he had an enthusiastic send-off which excited Percy's bitter indignation. At Port Elizabeth, in his first public speech after the Raid, Rhodes in a defiant mood blurted out contempt for the 'unctuous rectitude' of Englishmen and, by inference, for the High Court of Parliament before which he had been hauled.

Percy's letters to his brother Charlie and Merriman in January, 1897, show how fully alive he was to the danger that the demonstrations in favour of Rhodes might be taken as the verdict of public opinion at the Cape. He rejoiced therefore to get news of counter-demonstrations.

As to the Committee of Inquiry into the Raid he was consulting with his friend Frederick Mackarness, a practising barrister with South African connections, who afterwards, during the Boer War, worked zealously for conciliation and was elected for the Newbury division in 1906. They were both anxious about the conduct of the Inquiry and the misrepresentations of the Press. Percy was insistent on the need for an English paper in South Africa which would supply honest news and represent right opinions. Merriman agreed, but they had had one, and it had failed, and he doubted whether the conditions for such a paper were any more favourable now.

Memoranda  
criticises  
Charlie

Never forget [alluding to the Sivewright affair] that Schreiner and Hofmeyr saved Rhodes. Where was your brother Charles who might have much influence? Standing aside, shrugging his shoulders, and I suppose waiting on Providence. I do not conceal from myself that those who are opposed to the Charter have little support. The money is on the other side; and money has profoundly demoralized the public life in South Africa. I do not think there has been such a black outlook since 1880.

The Rhodes receptions reminded him of 'the fulsome adulation that followed old Bartle Frere about. There are the same addresses and resolutions and the voice of the Dutch minority is derided.'

Percy meanwhile despatched a long letter marked 'Private and Confidential' to Sauer with whom he had had talks in London:

Matters appear to me to be growing very serious both on your side and here. It would take very little to light a blaze in the excited state of feeling and the provocation which is every day being given to the Dutch throughout South Africa.

The receptions to Rhodes pretty well disclosed his hand. I have recently been told by a friend of his with

Rhodes'  
Pos. in  
in  
1897

the utmost frankness that his policy will now be to make full use of the immense money power which he commands. This friend of his said to me that there was no meeting of Dutch Afrikanders to which he could not get a Dutch Afrikander to go for a fifty pound note and obstruct. He said their policy would be to use this money throughout South Africa in paying men, and that not only in the Cape Colony but in the Transvaal also. They would further work up the towns thoroughly, as Port Elizabeth and Cape Town had been worked up, and would agitate for an increase of the representation in Parliament of these towns. In this way they would swamp the country party, particularly as they would be able to gain over a number of individuals in it by the means above referred to. You will see therefore that they mean to attack those who oppose them piecemeal.

Very encourage  
unity of anti-  
Rhodes forces

Now it appears to me that the time has come — indeed it is more than come — for men like yourself, Merriman, Schreiner, Innes, and Hofmeyr to work together, sinking your minor differences in face of this great South African crisis; for you will easily see that, whatever your various views may be, none of them can be operative if the above schemes are going to succeed. As I impressed upon you here, it seems to me that you should not allow public opinion to be manufactured in the wrong direction as it has been and is being done. It is not fair to those who would be ready to follow you as leaders in the right direction. All moderate and fair-minded men appear to me to take the same view of the Jameson Raid, and they only need leaders to say moderately but firmly that justice and right and fair-dealing are the proper principles of conduct for the English Colonies and England herself towards the Republics. A newspaper representing such views would be of very great value; but it seems to me that you should concert further measures for addressing public meetings, and for very close joint action in the ensuing session of Parliament.

to save

I write to you now in no party sense, and with no party feeling, but believing that the future of South Africa is to be safeguarded in this manner, and that it is in the hands of you and those I have mentioned above to prevent what one sees is clearly coming — an assault upon the Republics.

Early 1897 -  
Very can see  
Boer War con

Sir Hercules Robinson has stood in the breach manfully, and has done splendid service. He has given true and very wise advice to Mr. Chamberlain; but it would seem that he cannot remain much longer in South Africa on account of failing health. We shall then have some new man, and that wise advice which has been given by him with a full sense of authority and responsibility will be wanting.

see  
-f

Mr. Garrett made no secret to those on board the *Dunvegan Castle* that it was the intention of himself and of Mr. Rhodes to get up a war against the Transvaal; but they would be very careful so to arrange it as to make it appear that the first step came from the Transvaal. A few men will be killed in some way or other, and the intervention of the Imperial Government will then be loudly demanded. He said he hated the Dutch; it was true that Rhodes stood on a pinnacle of iniquity, but so did Kruger, and he preferred Rhodes.

Percy president - He was quite right

It appears to me that if all you political leaders at the Cape quietly allow this manœuvring to go on, you will wake up and find yourselves utterly undone and paralysed.

Now as to the situation here. You will of course have seen the speeches in the debate on the reappointment of the South African Committee. You will have observed the attempts made to prevent its appointment at all, and the speeches of Sir John Lubbock and Mr. MacLean. The Government, however, could not with any decency withdraw; nevertheless you will have observed the shuffling character of Mr. Chamberlain's speech and his pandering to the Jingo section of his followers by his untimely and unwise attack upon President Kruger. Sir William Harcourt, however, in his fine, manly speech put the matter on its proper high and honourable footing. I was in the House during the debate. Immediately after Mr. Chamberlain and Sir William Harcourt had spoken, one of the most influential and prominent members of the Committee, a Member of the Opposition, came to me and remarked with regard to Mr. Chamberlain's speech that he was in a very difficult position, and was obliged to manœuvre in the way he did in order to carry his party with him. Although the Session had only just begun, there had been three revolts among the supporters of the Government already, and he had to be very careful. He said particularly that the 'bunkum' he talked about Kruger was put in purely with this purpose; but Chamberlain he believed was thoroughly sound and intended to get at the truth.

Percy attends H of S re SA Overton

Percy Wrong

I believe there is a sufficiently strong section of the Committee to obtain a most full and complete investigation of the whole matter. The evidence of your Committee will be of the greatest value in this respect, and I found that this Member had it thoroughly at his fingers' ends.

At the same time it is easy to see that it would not be difficult to work up a very strong feeling in this country against the Transvaal; and the danger of Mr. Chamberlain's observations in regard to President Kruger is that they give some basis of support from a responsible authority to the unwarranted attacks which are being made daily upon the Transvaal by Jingo organs here.

Percy sent a copy of the letter to Schreiner, Merriman and Rose-Innes. It was a plea, as he said, for concerted action in view of the extreme gravity of the situation. A strong party feeling had been roused and that exactly suited Rhodes, who knew its effect in obscuring the moral sense and hoped so to attain condonation.

Merriman in reply said he had received confirmation of Garrett's war talk. From long experience of South African politics he was able to assure Percy that the silence of the Dutch 'by no means gives consent':

You probably know that on certain subjects they will stand as one man. I have always thought from the time he took office, that Chamberlain would shake down the Empire and I think so still. But thank God I see the liberal tide seems to be flowing again. . . . Unfortunately old Kruger continues to play Rhodes's game to the uttermost. One cannot get at the old fellow, who is badly advised. Your remarks about our

...  
...  
p. 179  
...

politics are very pertinent but you scarcely grasp the absolutely rotten state of affairs. When a man like your brother Charles makes an open parade of his indifference, what can you expect from the rank and file? A railway buys one and some little personal job squares another. We are dominated by a corrupt Press and by money-bags and are the sport of globe-trotters who go home with an idea that they know South Africa.

Charlie &  
Take a  
Q Why not

Among the leaders there was no jealousy. 'Innes, Schreiner and myself are on the best possible terms; but the Parliament is helplessly disintegrated and the electorate absolutely indifferent.'

Cape political  
situation  
+  
a lot of fraud  
completion of it  
(Rhodes' move  
- see above

In the middle of March Schreiner, who was in London, had meetings with Percy and wrote to him: 'I am, my dear fellow, so keenly alive to the hazards of the situation that I am growing old under the strain and anxiety.'

As the full reports of the evidence given before the Jameson Raid Committee came to hand Merriman was impressed by the shameful garbling of the summaries telegraphed to the Cape, and he became convinced, so he wrote to Molteno, 'that Rhodes's guilt and duplicity is established beyond all question'. The 'squalid object of the Raid' was also made clear; it was because the low-grade reefs would not pay. Then there was 'the ridiculous farce of people so utterly unprepared playing at revolution'.

Yet now the Rhodes ticket was being run 'with every prospect of success' in Sir John Molteno's old seat of Beaufort West. The money was found. No one seemed to care and the country was being handed over to jackasses or rogues. Yet he still hoped for a change of government, and was glad to think that Sir Donald Currie was on the right side; and right would win in the end. Merriman's remarks on Charlie were doubtless intended to get Percy to persuade his brother to stand for Parliament. In this he succeeded, and for many years afterwards Charlie became one of Merriman's trustiest supporters.

Charlie

Sauer replied to Molteno's letter in much the same strain as Merriman. He was hoping to carry a peace resolution when the Cape Parliament met at the beginning of April. All who wished well to the Empire 'must sleeplessly urge the necessity of keeping the peace'. Chief Justice de Villiers had made a splendid settlement at Pretoria and had done good in Johannesburg; but 'fair-minded people have lost all confidence in Chamberlain. We believe now that he knew of the Raid.' Merriman was coming to the same conclusion.

feeling

The reports of the Commons Committee [he wrote to Percy on April 12th] become more amazing day by day. What a sham it is! Why, Rhodes told Newton on December 18th that both Chamberlain and Rosebery knew and approved of his contemplated action, and used this as an argument that they need not tell Lord Rosmead; yet Newton is carefully handled lest he should disclose all this. Those cablegrams from Harris and others are carefully kept dark, or they would make this clear. Why do you not go to Ellis, Blake, or Labouchere and implore them to see justice done?

The High Commissioner  
Rhodes acted behind the HC's back!

is NOT an MP at the time?

was NOT strong like

Percy knows all the big players in Cape politics - but is formal

39373 Molteno 212

3530w

However, Kruger, he thought, was beginning to see the game, and 'he can, if he chooses, checkmate the Rhodes party by timely concessions'.

In May Percy was in Italy and wrote from Perugia to his friend Lord Rosmead welcoming him home, where he trusted he might long be spared to enjoy with returning health 'the honours of a task of no ordinary difficulty, for the discharge of which you are entitled to the lasting gratitude of the Empire and of South Africa'.

Styly pmp 204

usual extract

Among those who agreed with Rosmead's view that England should sit quiet and let South Africa settle its own controversies, only interfering if bloodshed seemed imminent, was Percy's gifted brother-in-law, Dr. Charles Murray, who described himself as a Laodicean in politics. Dr. Murray was suspicious of the Germans and the Dutch, whose Consuls, he said, had a complete system of spies, who were working hard against England. The Germans with their subsidized steamers, he wrote,

Dr Murray's View

intend making a bid for the Cape Town and West Coast trade. They have done it on the East Coast, and why not on the South and West coasts? Oom Paul smiles on them and (as he says) 'walks as a little child'.

Betty in UK 1897

Percy's sister Betty, who had spent the first half of 1897 in England and Europe, returned to the Cape by the Norham Castle early in July. Among her fellow passengers was the hero of the Raid.

TL

Dr. Jameson [she wrote, in a letter from the ship to her brother] has lived almost entirely alone, unless he has unbent in the smoking-room. He looked very broken-down indeed at first. He has cheered up a little but still looks much depressed. At first I felt very much for him, but the more I see of him the less I like his face.

Betty thinks Percy should go home into Cape politics

She was longing for Percy to return to the Cape and throw himself into the political life of South Africa, though she admitted that he might have become too European to content himself with the African scene. Europe had taken hold of her, but she felt that Africa and Europe were inextricably intertwined and hoped that her long visit would help her to work better in her school at Port Elizabeth. She would have liked Claremont House, a spot consecrated by so many joyful and sad memories, to have been converted into a school. This had been one of her father's last hopes. Her letter ends with some touching words:

Betty's in Europe office

Betty's love of Percy

Dear, dear Percy, I cannot find words to thank you for all the love and goodness you have shown to me and to us all. You know that I don't believe in any death to our essential souls.

Claremont House nearly lost to the family 1897

Caroline also regretted the loss of Claremont House, purchased by a syndicate. But eventually the sale was reversed and it returned to the family. Caroline was 'unspeakably disgusted' by the whitewashing of Rhodes and wondered what the Governor, Sir Alfred Milner, thought about it:

TL

Carobie never in Cape  
Appeal order - so not like  
- The new High Commissioner

I should like to discuss it with him. I had a talk with him at the Ball last week. He told me he had had some very interesting conversations with you, and that he had lately had a letter from you. Reading his book on Egypt has given me a great deal of light as to how he might view things here, and I gathered it was as I thought. He is a delightful man to talk to. As I sat in the drawing room watching the people arrive, next to me stood Mr. Hofmeyr, with a little group of fellow-countrymen. I did not feel they were the men to commend a cause; and yet it is from that class of men that the Governor will have to draw his impressions.

Carobie NOT impressed by Cape Dutch Leaders

In the course of our talk I said I thought it was in some ways easier to make a fair judgment of things as an outsider; for when one was mixed up with the people who represented parties, one was apt to be unfairly influenced by one's impressions of certain individuals. He thought a moment, and then said: 'But you know I think that I myself am very much inclined to be influenced by individuals in that way.' I said I thought one ought always to bear in mind that that was not an impartial judgment; and then I said I thought the Dutch party did not show to advantage through their prominent men here. We touched a little on last Session, and Mr. Merriman, whom he did not seem to know personally. What struck him, he said, was that there was condemnation of various things, but no policy. He said it was curious to imagine what might have been the result if the one vote had been the other way. I said it had been a disappointment to me. He said 'I think it would have been a greater (disappointment) if it had, because in time of great strain of feeling it was better to act not at all than to risk a mistake'.

Carobie like Betty

Towards the end of her letter Caroline went on: 'The outlook here is so bad that a leader is absolutely necessary. I often wish you had been here. Can you not persuade the Chief Justice to resign his office, and become a leader of the Opposition?' The troubles with the natives ought to have been avoided; for the present emergency all the Opposition leaders - Sauer, Merriman, Innes and Schreiner were impossible. The Moffats, who were working at Buluwayo, had been telling her of the great disappointment in Rhodesia that the Chartered Company's rule was to continue. It would be a disgrace, she thought, to them all if there were no protest against the recent declarations of Sir Gordon Sprigg. She was disgusted with a relation who had sent his congratulations to Rhodes. 'Miserable sycophant', she exclaimed.

wants Percy - come to Cape provide leader

But Caroline knows he

Why?

From Port Elizabeth on August 13th, 1897, Betty sent Percy some striking impressions of her six months' visit to England and the Continent:

Member of Congratulatory (probably for)

Your letter [in the Westminister Gazette] expresses what I am feeling on the subject of the S.A. Committee Report, but of course not fully enough - that is the drawback to newspaper correspondence - it is necessarily so slight. . . .

Betty's good political judgment

. . . Somehow I am taking it coolly. This visit to England has been a complete revelation to me in some respects. The idea of Empire is proving very danger-

Betty's Priv. 2-1897

NB

Betty more critical of Empire

39373 Molteno 214

3584w

ous to the nation. It may be that Empire is thrust upon her, and is now inevitable. But the strange thing happening in my own case is that my deep longing for a Federation of England with her Colonies is changing. The vital union of hearts, of common, noble ideals, a chemical, not a mechanical union I want more than ever. But I seem to see that a mechanical union may stand in the way of a vital one. I feel now as if the various great colonies must become independent nations in the long run, taking their full responsibilities, not shifting their moral responsibilities on to England. She has her own mission to fulfil; she cannot really any longer check and curb her colonies by force. Her example becomes everything to us. She cannot sanction conduct on our parts that may be the best we are capable of at our stages, but exceedingly wrong for her. Wherever her flag flies, subject races must be protected and fairly dealt with; but she is confessing in the face of the Chartered Company that she cannot extend her flag over these native races and try to get justice done them.

... I fear my opinion of the ordinary colonist is not as high as yours. I think we are apt to act in a very blind short-sighted fashion, and it will perhaps be better for us to have to face the consequences of our actions at once, instead of sheltering behind the British Government (as the Chartered Company is now doing by calling in their assistance), and in the long run end by creating terrible difficulties for ourselves.

Then she went on:

Betty a radical democrat

England's problems and ours are on the surface very different. England has to work out a noble democracy. More and more power must go into the hands of our working men — not be grudgingly given them — but lovingly put into their hands by the upper classes, who should more and more become their glad and joyful leaders. In proportion as England progresses along this path she will help and bless all her colonies; for she will continue to pour into them a noble stamp of colonists, who will be continually leavening and moulding them in right directions.

I much wish you could come out to become re-acquainted with things on the spot. We cannot move with the force and rapidity of a great country like England. Rhodes is, as it were, fighting with England at his back. The Colonial English are inclined to go solidly with him, on the ground that he will give the English their fair share of power instead of letting the Dutch carry everything before them. Rhodes seems to me to be gambling with South Africa and with the British Empire too. Money and power are enthroned as our gods... Rhodes openly and perpetually appeals to men's material interests. He does not gloss things. He says, practically: 'Certain desirable things exist in limited quantities; let us seize upon these things.' To the great masses of people the struggle for daily bread is so heavy that they are ready to follow anyone who offers them the chance of getting it. New conditions are what we are needing. Rhodes seems to offer space and opportunity. In reality one fears he is drawing immensely on our future; mortgaging, as it were, anything he can seize hold of.

Why English-speaking Whites support Rhodes

Betty concerned re Black SA or other TW peoples

ty to ship work.

Family e Rhodes Anderson

gement

Percy's  
Hope

Percy, we may be sure, had much sympathy with his sister's philosophy; but while accepting much of it he was too prudent and practical to give up hope of a good Cape Ministry which would control the Governor, ward off the dire consequences of the Raid, and frustrate the mischievous activities of Rhodes, the Chartered Company, and the Chartered Press.

Why  
Percy  
delays  
going into  
politics

The spectacle of the money power in South Africa and in England working openly or insidiously against truth and morality haunted Betty's mind; she even feared that her brother might waste his life in business and fail to play his part in public affairs. He had told her that 'absolute independence is essential before I attempt real political life', and Betty tried to argue him out of this opinion. She suggested that it would be better to be the editor of an independent newspaper than a member of Parliament.

Betty's  
of pol. is  
a lot of  
sense to

Ordinary political life [she wrote] seems to mean making oneself a mask or a machine, merely finding out what will sway the majority, and corruptly employing that knowledge to use everybody else for one's own ends. It seems to me that the longer you continue your present life, the more hopeless it becomes ever to break from it.

Had  
Percy  
right

That Betty was wrong, and Percy right in rejecting her advice, was to be amply proved by events. Had Percy given up business, he would have been unable to play the strong part he did in opposing the Milner-Rhodes-Chamberlain policy, and in helping to save South Africa after the war.

Letters from the Cape to Percy in November and December, 1897, showed that the demonstrations in favour of Rhodes, which had been got up regardless of expense, were being followed by meetings of protest which represented, as one correspondent put it, deep feeling and genuine indignation among the farmers. Political passion had been let loose. There were stirring times ahead.

Percy  
knows  
leading  
UK  
liberals

Meanwhile Percy had made a new friend. 'I had a long talk with John Morley last week,' he wrote to James on December 21st, 1897. 'I am to meet him again soon, and have much to say to him. He is a very fine character. His is the type of Liberalism I most admire and would be most disposed to follow.' When war came, Morley fulfilled Percy's high expectations, making at Manchester on the eve of the war in September, 1899, the most eloquent protest that has been heard in our day against warlike diplomacy. Percy records also — it was the time when Liberal Imperialists were talking of war with France — that Morley spoke most sympathetically of Salisbury as Foreign Minister, preferring him in that capacity to Rosebery and Grey, who made menacing speeches against France at the Fashoda crisis and in connection with Siam — in fact wherever British and French colonial interests seemed to clash.

from chief  
TL

John Morley opposed Boer War

Perry edges into  
local party  
participation

I also met Massingham, the editor of the *Daily Chronicle* [he went on in this letter to his brother] and gave him a good rap over the knuckles about his stupid suggestion that Sir A. Milner should be ordered to interfere in the Bechuana Indenture matter. I asked him whether he was aware that the Cape has responsible government.

few  
ms -  
good  
ly.

I am thinking of joining the Cobden Club.<sup>3</sup> Lord Farrer is a neighbour. (He lived at Abinger Hall two or three miles from Parklands and was President of the Cobden Club.) I sometimes see him and have a talk on current topics. He is tremendously severe on Chamberlain, ridicules his Imperial Zollverein business, and says he received a complete snub from Reid and Laurier, the only two men who kept their heads (at the Colonial Conference) and did not become mere flunkies to Chamberlain.

I am very sorry to see that Sir A. Milner made his first great mistake on his Rhodesian visit. His speeches are much commented on here.

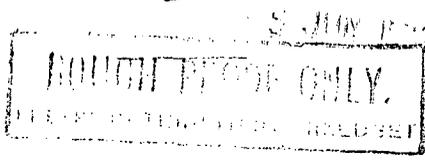
Charlie  
marries  
1897  
Dec

At the end of December his brother, Charlie, who had just married, came over with his wife and spent part of their honeymoon with the Moltenos.

<sup>3</sup> He joined the Club soon after these talks with Lord Farrer.

refer Ireland

I.A.P.



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CHAPTER XIV

MILNER AND SCHREINER

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AFTER the Raid inquiry and Chamberlain's whitewash Rhodes got back to South Africa with more credit than he deserved. He had secured the support of *The Times* and of the Imperialists — called 'Progressives' in South Africa — who, in April, 1897, hailed Sir Alfred Milner, the new Governor and High Commissioner, as one who would be their champion against the Cape Dutch and the Transvaal Republics. At first, however, Sir Alfred Milner did little or nothing in the way of partisanship, and Percy, as we shall see, for some time believed that he would not lend himself to the designs of the Rhodesians. In this he was mistaken. After studying the situation for about a year Milner showed his hand at Graaff Reinet, where, on being presented with a loyal address by the local Afrikaners, he burst out: 'Loyal! Of course you are loyal. It would be monstrous if you were not.' This was the first intimation of a resolve to break down 'the dominion of Afrikanerdom'. Krüger had just been re-elected President by an overwhelming majority and had dismissed Kotze, his Chief Justice, whose decisions were as distasteful to him as those of Chief Justice Marshall had been to Thomas Jefferson ninety years before. Nevertheless confidence in peace revived in the autumn of 1898 when, after a bitter struggle at the Cape Elections, Sprigg's Ministry was defeated, and W. P. Schreiner, a lawyer of German origin who unfortunately was to prove no match for Milner, formed a Ministry with Merriman and Sauer, the two Colonial statesmen whom Moltano trusted.

Percy misjudges Milner for some time

Oct 1898 New Cape Adm. & P

It is probably true that, had Krüger combined his defensive measures with reasonable and seasonable concessions to the Outlanders and mining magnates, he might have foiled Rhodes and Milner. For Lord Salisbury's Government was in no way committed to an attack on the Transvaal, though Rhodes had many powerful friends in England who were watching for an opportunity to annex the goldmines and subject the Transvaal Republic to British suzerainty.

The machinations of Cecil Rhodes are described in a letter from Kimberley which reached Percy early in January, 1898. It came from Cronwright Schreiner, whose brilliant wife Olive was an intimate friend of Betty Moltano. The letter was in answer to inquiries from Percy:

Yes [he wrote] Rhodes has bought largely in the West Province: he is making a desperate bid for reinstatement. We have a little over 100,000 voters in the Colony. He is spending unlimited money. His idea is to secure the return of men who are his out and out supporters, or failing that to bring in flabby men who have no strong convictions.

This move of Rhodes to be re-instated as Premier had two motives according to Cronwright Schreiner:

1. It would give him a standing in England and seem

to show his undiminished popularity and power here.

2. It would enable him to get the Cape Parliament to take over his jerry-built line to Buluwayo 'and thus help him to put his Chartered Co. on its legs for a time, until he can get some hold on the Rand'.

He & Percy family party

At the beginning of January, 1898, Charlie, who had just married, arrived in England for his honeymoon. The two brothers discussed family property and investments. As Directors of the Cape Suburban Estate Development Company they were interested in the project of a light railway through the Cape Flats. Percy went to a meeting of the Royal Colonial Institute to hear an expert on light railways for India. The lecturer enlarged on the advantages of a narrow gauge, especially in mountainous countries, owing to the great reduction in cost; but Percy, on going into the matter, came to the conclusion that the proposed line should be of the State standard gauge - 3' 3".

Clarence House stays in family

At the sale of the family property in February Percy bought a share and wrote to ask his brother Frank 'whether the large fir tree with the long clear stem falls into my land'. He was always keen to preserve fine trees; at the same time he expressed his delight that the result of the sale had been to keep 'the whole of the beautiful property in our hands'.

To Frank, who was impressed by the building programme of the Union Castle Line, Percy replied on April 15th: 'Yes, we are building some big boats, but the responsibility of doing so is very great. We have such a fluctuating trade to deal with, and a ship is a white elephant if it is not full.' Sir Donald Currie and his staff were being kept busy by an unwelcome intrusion of German and British competitors on their shipping routes.

New Shipping Competition

'We shall probably have to cut down our rates,' wrote Percy, to a fellow director. '... As you know, Woermann's West-Coast Line are coming down to Cape Town', and the Australian 'Conference' were also intervening. A sort of three-cornered duel was going on.

In the spring of 1898 Earl Grey and the directors of the Chartered Company wanted to re-elect Cecil Rhodes to the Board, and asked the Colonial Secretary whether if they did so they could rely on the British Government not to exercise its power of veto. Chamberlain gave the assurance, much to the disgust of Molteno and of all right-thinking people, who felt that after the Raid and the findings of the Report the chief culprit should not have been restored to a position of trust and power in South Africa. In the House of Commons on May 6th Sir Robert Reid took occasion to point out what a bad effect this replacement of Rhodes in the position he had so grossly abused would have upon opinion abroad and in South Africa:

I thought [he said on May 6th, 1898] that the policy for which the whole House of Commons expressed its preference was that of reconciling the two governing races, Dutch and British, by avoiding on either side anything in the least tending toward irritation, by letting bygones be bygones, and in this way healing the wounds of the past. Will the policy of restoring Mr. Rhodes to the directorship of the Chartered Com-

pany be likely to tend in that direction? I venture to think that it will tend not only to produce irritation but to retard the growth of that good feeling which all Members of this House are desirous to see promoted with regard to foreign countries as well as the Transvaal, where our protests of innocence are accepted too often, I am afraid, with laughter.

Lord Loreburn  
- Percy Trunk

From that time onwards to the end of his life Robert Reid (afterwards Lord Chancellor Loreburn) was one of the few political leaders whom Molteno trusted. The confidence was mutual. Reid found that he could always rely on Molteno for accurate information and sound advice on South African questions, and Molteno found that Reid, once he was convinced of what was right, was able and ready to give clear and bold expression to their views in Parliament and on the platform.

Reid / Loreburn  
= voice in House  
for Percy

Percy was impatient about the paper which his South African friends were now determined to launch. 'When does your paper come out,' he wrote to Charlie in the middle of April. It seemed to him monstrous that a newcomer like Garrett who knew nothing of Cape history should be allowed 'to lead the Colony by the nose.' Rhodes' Cape Town speech showed clearly that he wanted the Cape to take over Rhodesia. 'His money and skilful manipulation of the townspeople will have a powerful effect.'

1898 - Percy  
TL  
a new Cape paper  
- independent Rhodes

He was enjoying cycle rides at Parkland with his brothers Barkly and Ted, and had been over Barkly's ship. 'It is a splendid one', he wrote, 'and he has most able officers. She would give a good account of herself in wartime.' When in London he was spending all the time he could spare from the Fenchurch Street office at the British Museum on the Life of his father. But just then the Spanish-American war broke out suddenly and brought a good deal of work and anxiety to shipping.

finishing life of Tom

War is the all-absorbing topic here [he wrote to Charlie on April 22nd]; it is most deplorable. We hope that something may be done to prevent the loss of life and treasure that must ensue. Our commerce will suffer. Coming as the war does on top of the Welsh coal strike we are being landed in great cost to run our steamers up to time, or indeed to get coal at all for them.

He thought the United States was largely to blame: —

They made it impossible for peace to continue by their ultimatum ordering Spain out, bag and baggage. No nation worthy of the name could yield to such a menace. Of course we wish freedom to prevail, but it must not blind us to what is right and just. True, Spain has acted foolishly in the treatment of her colonies, and so did we when we lost America.

But — as he put it — consideration was due to national pride, and America gave the Spaniards no chance of avoiding war even had they wished to do so.

Happily the war was soon over and it did not prevent Percy from carrying out a visit he had been planning to Lombardy. On June 23rd he started with his brother Wallace, my objective being the irrigation canals of

Percy visits Lombardy  
in Liguria

north Italy'. Bessie and the children were yachting on the West Coast of Scotland with Sir Donald and Lady Currie.

Big Percy (Wallace Currie)

TL

The letters between Moltano and his brother from the summer of 1898 onwards to the outbreak of the Boer War would supply material to a writer, who might try to do for the Boer War what Clarendon did for our Civil War in his splendid introduction to 'the Great Rebellion'. And indeed to students of the causes of unjust or unnecessary wars no period is more interesting than that which lies between the Jameson Raid and the outbreak of hostilities between the two Boer Republics and Great Britain. Many things have to be weighed and balanced — the state of society and of the Press in London, Cape Town, Johannesburg, and Pretoria; party politics in England and at the Cape; the then fashionable Imperialism, and the interests or supposed interests of gamblers in the Transvaal mines or in the shares of the Chartered Company; the power of the mining magnates, known as 'the Park Lane millionaires', and the dogged character of the Boers, which was too well represented and guided by the religious obstinacy of their old dopper President. Nor should the conflict of other personalities, foolish or sagacious, weak or strong, cautiously timid or impetuously bold, be left out of the account. Above all there was Fortune, in this instance 'saevio laeta negotio', playing drakes and skittles with statecraft.

C

words per r

Key Political Players re Boer War

Among the leading figures on the political stage were the Marquis of Salisbury, the aged conservative Prime Minister of England and his pushful Colonial Secretary, Joseph Chamberlain; Sir Alfred Milner, Governor of Cape Colony and High Commissioner of South Africa; Cecil Rhodes; W. P. Schreiner, who presided over the Cape Ministry; with his leading colleagues, John X. Merriman and J. W. Sauer; Paul Krüger and M. T. Steyn, Presidents of the Transvaal Republic and Orange Free State, and lastly the leaders of the divided Liberal party at home — on the one side Harcourt and Morley, on the other Rosebery and Asquith and Grey. This Liberal Party Division on foreign and colonial policy was soon to become acute over South Africa.

Liberal split

For a time the developments were favourable to peace, thanks to the issue of the Cape elections, in the autumn of 1898. The struggle was severe, and the issue was long in doubt. The 'Rhodesians', as Moltano usually called the Rhodes-Jameson-Sprigg combination of Progressives or Loyalists, made a tremendous effort to retain office and gain the ascendancy. They would undoubtedly have succeeded but for Jan Hendrick Hofmeyr, the astute organizer and chief of the Afrikaner Bond, who having parted with Rhodes after the Raid, rallied the bulk of the Dutch farmers against him and just turned the scale against Rhodes' money.

"Rhodesian" = Rhodes supporters

James Moltano's base

No one worked harder than James Moltano for the Schreiner-Merriman party. His constituency was Somerset East, and between July 24th and August 25th he travelled over 650 miles speaking there and in neighbouring constituencies. On August 17th Percy heard with delight that Merriman had held his seat. James had

in Oct 1898 Elections

shaved in, beating Palmer, his opponent by 1,076 to 1,066. On the other hand Charlie had been defeated in Tembuland. It was a mixed bag. Next to Charlie's failure Percy's chief regret was that Garrett, 'the pseudo-purist', had got in. It was, as he wrote to Sauer, who had been victorious, 'a sad sight to see all Cape Town and district led by him'. On the other hand Smart and Crewe had lost their seats, and on August 31st he was able to congratulate Schreiner on the general results 'showing that you have a majority, and the only question now is how large it will be'.

James just  
wins - 10  
votes!  
Charlie - def

During the campaign Percy had noted a mischievous speech of Rhodes at Port Elizabeth, talking of 'despotism if the Bond came in', and threatening to join Rhodesia to Natal if Cape Colony did not do his bidding. Rose Innes had spoken 'well and truly' at Claremont; 'but I see Rhodes and Sprigg both say there is no room for moderate or independent men.' On August 30th Charlie reported that the Cape elections had 'gone so far in our favour', and he now hoped that their party would come in with a fair working majority:

Why Charlie  
lost Tembuland

- 1 The loss of my seat is a severe blow but more than compensated by James' victory at Somerset East.
- 2 Owing to the time of the year, a large number of my native supporters were away at Johannesburg and elsewhere.
- 3 Then the whole of the C.M. rifles are now registered in Tembuland. They were moved up from hundreds of miles away simply to vote against me.
- 4 Even with these adverse factors against me, I should have won the seat, had it not been for the apathy of the Dutch section of my supporters, who did not poll half their strength. However, there has been so much open corruption that it is yet a question whether I may not unseat Fuller. In any case I shall have the first vacancy on our side if I care to try again. Personally it would suit me to remain out of politics for a year or more, until I can get both Uncle's affairs and those of the Estate wound up.

Charlie to get another seat

Charlie still winding up East 12 yrs later

The Parties were so evenly balanced, and the majorities in many cases so narrow, that both sides presented a number of Petitions. James, in a letter to Percy, predicted 'lively times' when Parliament met in the second week of October.

The Ministry are going to stick to office if they can. They hope to have the Speaker, and they hope to win over one of our men, and so continue in the saddle to prevent us from purging the registers, and controlling the railway police, and C.N.R. votes. The conduct of the Rhodesian Party has been shameless; the fact of the Government being in during the Elections lost us Tembuland, Vryburg and Uitenlade.

Uitenlade X

A week later James was able to report that an inspection of the ballot papers at Somerset East had increased his majority from 10 to 20. The Government still hoped to remain in office by squaring some of their opponents. Large sums of money were being offered to poor men to desert to the Progressive side, 'but they won't succeed'. Amid scenes so exciting he could think of nothing but politics.

Bribing of MPs

Quite clear Rhodes wanted  
to bring about Boer War

39373 Moltano 222 4223

I wish you could be out here and see all for yourself. Rhodes and Co. are not going to rest until they have forced a war on South Africa. They don't want Peace, and I wish responsible statesmen at home could be got to appreciate the danger out here; but of course the Press is controlled.

On October 11th James wrote again from his law office, St. George's Chambers, Capetown:

Donald  
present  
here  
too

James  
unbed

To-day Schreiner moves a vote of no confidence. Progressives have been saying that they will not resign even if the vote is carried. What are we coming to? Last Wednesday I was offered the Speakership, and a guarantee, if I accepted, that no further proceedings would continue re Petition; also a hint that the pay would be raised to £2,000 a year. Of course, I declined at once. The Government knows that if we get into power, several of their men would join us, and that as a result of the Election petitions, we would easily carry Vryburg and other seats. This they fear, and so stick at nothing. If you read to-day's leader in the Cape Times you will understand. Every engine of corruption is in motion. I can tell you, feeling is growing intense throughout South Africa.

Another letter from James followed on October 19th. 'On Wednesday last (October 14th), having failed to square anyone on our side, and Innes kicking against their shameless conduct, the Government resigned. Schreiner at once formed a Cabinet, and the Loyalists transferred their hopes from Rhodes to Milner. Percy was jubilant. The victory seemed to promise peace. Nevertheless for some time the political situation remained tense and critical. As late as November 9th James wrote to Percy:

You may be sure that our Ministry are working with wisdom and moderation. The feeling throughout the country is intense. . . . Of course Rhodes wants no compromise. All he wants is to embarrass the Government and turn them off the benches.

James had been mentioned for the office of Attorney General; but he thoroughly approved of the appointment of Richard Solomon 'which adds great strength to the Ministry'. Solomon moreover was one of his best friends at the Bar.

Richard  
Solomon  
AG

When Percy heard by telegram that victory had been achieved he at once wrote, October 18th, to congratulate Schreiner 'on turning out Sprigg and Co. and forming your own Ministry'. He was glad too that Schreiner had taken on the office of Colonial Secretary. 'That is the great office in a colony - comparable to the original office of Secretary of State in this country.' Until self-government came it was almost the only real administrative post, 'and my father continued the tradition even so far as always to make the Budget speech'. Since then, he added, it had been held by some who added no lustre to it; 'but I look to you to restore some of its former dignity'.

Until the unexpected news came of Charlie's defeat Percy had thought that his brother would be offered office, and in that case he had wished the family to appoint Wallace to assist in disposing of their estates on the Cape Flats, which ought to be sold, he thought, in

Family  
Property

TL

What relationship to Darryl etc  
Q - Betty's friends?

are  
Rupert's

small plots or allotments to bona-fide occupiers. The Imperial Government's expenditure on the new naval base of Simonstown should mean an expansion of the Cape Town suburbs.

Cape flats  
projects

Meanwhile Percy was under no illusion about the dangers of the future. 'Rhodes' speeches at the elections, he wrote, 'had proved that the Raid is no isolated act, but that he retains his purpose of getting hold of the Transvaal by any means.'

The term 'Progressive', adopted by Rhodes' party, was 'a monstrous misnomer, put in use to deceive people both here and at the Cape'.

Rhodes called his party - Progressive

At this time there had been a considerable fall in the shares of the great De Beers diamond mines in which Sir Donald Currie was interested. He asked Percy about it. Percy replied: 'I saw Mr. Gardner Williams, manager of De Beers, today, when he came in to take his passage.' From him Percy gathered that the fall in the shares of De Beers was due to sales by Rutherford Harris and his friends. Williams thus explained it. 'Harris, he said, had been up to Kimberley in connection with the elections. There he learnt certain facts which were new to him, though not new to Williams: viz. that the De Beers and Kimberley mines were contracting in depth, or rather, as they went deeper, they had been found to be rather poorer in the last two months. Williams, he added, had written to Rhodes protesting against Harris's action. 'They had just helped him to win his seat, and this is how he returns their kindness!'

→ Sir  
his  
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By September 7th Percy had culled another scrap of information throwing further light on Dr. Rutherford Harris's stock exchange manœuvres. Soon after the sales of De Beers shares and their fall, 'there appeared a paragraph in the *Daily Mail* saying that 'De Beers will go to £20'. The significance of this is that Harris is the *Daily Mail's* correspondent in South Africa.'

As to the spreading of news about the Kimberley diamond mines Percy added: 'Query, how long has Rhodes known this? Did he know it before the Raid, and was it De Beers as well as Chartered shares which were looking queer? — and so he tried to get rich Transvaal mines?!' As Rhodes' agent in London Harris had negotiated with Chamberlain for the jumping-off ground at Pitsani, and had played his part in the Raid by attaching a false date to the Women and Children's Letter, 'the cry from the gold-reefed city', which was to inspire the British public with a sense of the agony in Johannesburg and the chivalry of Jameson's dash to their rescue.

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his

Further inquiry seemed to confirm the report of a narrowing of the mine with a poorer yield, and that, on this information, Rutherford Harris and his friends had sold their shares.

In September Percy wrote of the death of Sir George Grey:

Percy gets a public funeral for Sir George Grey - reflects growing

He had been quite a personal friend to me before his last long decline. When I heard that no one was moving to have a public funeral I took the initiative and saw the various Agents-General and the Colonial Office. On this it was arranged to have him buried in St. Pauls.

Wallace - abandons plan to go to SR  
Now taking of Bechuanaland

39373 Molteno 225

About this time Wallace asked Percy if he could help him to buy a new farm. Wallace was inclined to try his luck in Bechuanaland. Percy replied:

TL  
Sept 1898

I am ready to place reliance on your management of money, and would suggest some arrangement by which a moderate interest might be credited on the money lent, and then we might share profit and loss in some proportion.

Percy  
willing  
to  
lend

But he thought Wallace would be wasting his time if he went in for farming on a small scale, and hoped he would not isolate himself far away in Bechuanaland or other uncongenial surroundings. Before taking a decision he should get full knowledge and information about the place that attracted him. 'There is uncertainty in all things in life; but he decides with most prospects of success who uses all the information he can get, thus reducing the uncertainties to a minimum.' An aphorism of worldly wisdom for an adventurous younger brother. Molteno argued that the best market for farm produce was the Cape Peninsula, where the land would rise in value with increasing population. He advised Wallace to look round at such places as Stellenbosch, Paarl, Wellington, Worcester and Hex River. During the critical summer and autumn of 1898 James Molteno had acted splendidly, sacrificing his work at the Bar to the cause and party which represented his principles. When Schreiner formed his Ministry he had a bare majority of one or two, and for several weeks after the election and the meeting of Parliament James could not be spared. 'I can assure you', wrote James to Percy on November 9th, 1898, 'that had I not felt my Party wanted me I should never have stood again. To ruin oneself for Party is all very well, but there must be a limit.' There was a very heavy supreme court term. He had spent far more than he could afford and had had to throw up all his briefs. Percy with his usual generosity came to the rescue, and wrote to James on December 2nd:

Wallace  
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Percy  
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Percy's  
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You have found your work much interfered with by these political troubles, and it must be a serious sacrifice to you to lose your briefs in the Court.

It has struck me that you should allow me to share to some extent your loss and there is a fund from which I can draw in this case. The amount which I received from the Estate is a sort of Trust Fund, or rather I can regard it so at present owing to my circumstances, which I can to some extent use for the common benefit of the family; and I would suggest if it meets with your concurrence, that on the approaching distribution of the Estate there should be paid to you out of my share the sum of £500, which would go towards meeting your losses and expenses.

You must not feel under obligations of a personal character towards me. Consider the thing as out of the Estate and as legitimately determined towards your extraordinary position at this very critical time. When you have accepted it, the whole transaction is closed and need never be referred to any more; so I trust it will be accepted by you without hesitation in this sense. It only remains for you to say 'yes', and I will instruct Charlie, when the distribution is made, to pay you the sum of £500.

Percy's  
influence

Besides helping James, Percy offered Charlie a subscription of £200 to the South African Party. 'It is but little', he wrote, 'that I can do for the Colony at the present crisis', but he wanted to do something 'to help the right'. He found that merchants engaged in trade with the Cape were 'becoming alarmed at the great hold the financiers are getting over South Africa and the utterly unscrupulous and selfish way in which their power is used'. Hence it was 'the duty of all independent men to rally together now and oppose Rhodes getting possession of the country'.

At the beginning of December Sir Alfred Milner was in London. He had come over to see Chamberlain. 'He keeps very quiet,' wrote Percy to Charlie; 'I have not seen him yet.' It is no wonder that Milner was 'keeping quiet' in the sense of avoiding communications with Percy Moltano and other supporters of the Schreiner Government. Like Bartle Frere he regarded himself as the High Commissioner, representing Imperial policy and as such he was laying plans with Chamberlain for the pressure on Kruger which was to end nine months later in war. True, as Governor of the Cape he was bound constitutionally to follow the advice of the Cape Ministry, and Moltano still hoped that both Milner and Chamberlain would follow its guidance rather than that of Rhodes and the financiers.

When the New Year opened the great aim of moderate men was to remove the tension between the British and Dutch in South Africa by a policy of conciliation which would allay the suspicions of the Boers and satisfy the reasonable claims of Johannesburg. One of the chief obstacles in the way was the state of the press and the doctoring of the news. Percy, it will be remembered, had for a long time been urging his political friends in South Africa to break the monopoly of English newspapers which Rhodes by his money power had brought about. Equally serious was the control of the cables by the Imperialists. 'We had a little meeting last night', wrote Percy to James on January 14th, 1899, 'to see what can be done with the Press here to get more full and reliable cables.' At this conference the Chronicle, Morning Leader and Star were represented, and they arranged to have a correspondent at Cape Town and if possible at Johannesburg.

The news service [he added] is wretched and all Rhodesian as you know. The South African League are trying to raise an agitation over Jo'burg wrongs; but it is much like flogging a dead horse, and those interested in mines don't care about it, as it only disturbs a market which is rising.

At this time the Inns of Court had proposed a new regulation withdrawing from aliens the privilege of a call to the Bar. Percy thought it would be very bad policy to force Boer students into foreign law schools and so to invite a retaliatory movement to exclude English barristers from the Transvaal Bar. Accordingly he took the matter up and wrote to the Attorney-General, Sir Richard Webster, Sir Alfred Milner and others, who saw the force of his objections and induced the Inns of Court

Milner  
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Percy stops Inns  
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to withdraw the proposal. At the end of the month he wrote to tell Schreiner of his success and also mentioned a report from friends in the Colonial Office that Milner regarded Rhodes as 'a stumbling-block in the way of all his efforts to bring about a better feeling between the races'.

Meanwhile President Kruger had shown signs of grace by making some good appointments, among them J. C. Smuts, a young and brilliant Cape lawyer, had become State Attorney, and E. W. Reitz State Secretary. They were efficient, liberal-minded men and reformers up to a point. Percy on March 12th seized the opportunity of congratulating Reitz on his resumption of office, which he took 'to indicate a change to a policy in harmony with colonial and South African feeling on the part of your State, which had seemed to me to be sometimes wanting when other hands held your office', and he ventured to urge that the Transvaal 'would act wisely in showing its co-operation in a policy which is in accord with the feelings of moderate men throughout South Africa'. Reitz wrote to him from Kalk Bay about the support which Rhodes was getting from British public opinion. Percy in reply agreed that 'there is a certain Jingo and rowdy crowd here who admire him and his ways'. But, he added:

The heart of the British people is sound. The difficulty is to get it informed correctly on South African matters. All the cables for a long time were mere Rhodesian echoes, and served to mislead the prevailing ignorance.

He had been told that Milner had brought home an unfavourable report on Rhodes—'that his entourage was most disreputable and that it was undesirable for him to become a power again in Cape Colony's politics.' Rhodes, he added, was trying to use new arrivals, who knew nothing of Cape history or the needs of South Africa, against the older inhabitants whether of English or Dutch extraction. After telling Reitz about his Life of Sir J. C. Molteno, 'which will soon be published', he went on:

I believe Mr. Chamberlain, who at first knew but little of South Africa, has now learned enough to see that it is a most difficult question; and he will not lightly involve himself in any 'forward' policy, though he has a very troublesome set of Jingoese to pacify among his supporters, and so often seems more fierce than he really is.

At the same time he admitted that Chamberlain's 'shameful action in disassociating himself from the Report of the Raid Committee in whitewashing Rhodes can never be forgotten by South Africans'.

In the copy of this most interesting letter to Reitz the last part is so faint that many of the words are indecipherable; but its object is clear — to persuade Kruger's Secretary of State to proceed on cautious and conciliatory lines so that Chamberlain might have no plausible pretext for menacing the Transvaal. If Percy's foresight and active vigilance had inspired leading Liberals in England and the Cape Ministry, and if Reitz and Kruger had adopted

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the more prudent and patient policy in the critical months that followed, war could probably have been averted, even though, as it unfortunately turned out, Percy's hopes of Milner were sadly falsified and his doubts about Chamberlain more than justified by the event.

1898

New SA paper

At this time an important new venture, The South African News, to which Percy with many of his family and political friends subscribed, was started to supply the South African public with a liberal English newspaper and at the same time to provide people at home with reliable news from South Africa. To Cartwright, who was appointed Editor, Percy at the end of April addressed words of wisdom and exhortation on the 'question of your new paper's policy'. What had long been needed he said was sound commonsense. There had been no moderation for a long time in the Cape newspapers, which had been run by extreme men on one side or the other. Cartwright should appeal to those who had lived long enough in the country to realize that the interests of the two white races were not antagonistic — men who had nothing to gain by playing on prejudices or rousing party passion. Ignorance on both sides should be combated. The paper should not confine itself to the news and views of either the farmers or townsfolk. They ought to be brought more in contact.

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Percy - Anti-racial anti-jingo pos (never again & next century leading par political fra

He himself knew many people at Cape Town who had never travelled farther than Paarl, Wellington, Worcester, or even Stellenbosch. This situation was bad for both town and country, and gave the schemers great opportunities for evil:

but Percy blind even more for group issue - South Africans

What you ought to do in my opinion is to write from a South African point of view. The problems of South Africa must be solved in South Africa and by South Africans. As Mr. E. said to me when he was last in this country: 'If we can't govern South Africa, no one else can.' Just now, as I write, an organized press campaign is going on to prevent the Transvaal Government and the mining community coming to an arrangement. Mr. Rhodes, having failed to get a majority at the elections, and the lie of redistribution as his salvation being exploded, does not want to see South Africa settle down without him, nor apparently does Mr. Chamberlain. You will observe that Mr. Balfour, on Friday April 21st, gave a very conciliatory and diplomatic explanation of the increase of the garrisons in South Africa. On April 24th Mr. Chamberlain gave quite a different explanation. The former said it had nothing to do with the internal affairs of South Africa; the latter said these affairs had everything to do with the increase. I am told that Lord Salisbury, Balfour, and Hicks-Beach won't hear of any trouble being made in South Africa, and even Chamberlain's bark is worse than his bite. I am also told that a great deal of this agitation is traced to a certain huge Financial House. Anyway some men have got hold of the Press. It only shows once more how the great British Public in its ignorance of such questions can be played on by interested wire-pullers. I am very pleased to see the results of the Cape elections' so far. They will be a good guarantee for peace and quiet.

Percy aware of political interest by big capita

One of his correspondents, James Hay of Johannesburg, was organising a protest there against a violent press agitation which had been started with the 'evident design' of making the negotiations between Krüger and the mining industry miscarry. Rhodes, and he feared Chamberlain also, wished to thwart any arrangement that might be come to without them. He referred to 'paid tools' and imported journalists like Money Penny who had been pitchforked into South Africa to make mischief. Percy of course approved of Hay's effort and sent him an encouraging letter. He was now preparing the manuscript of his father's *Life* for publication, and told Sir Henry de Villiers that it was to be published in the autumn. In this letter to de Villiers (May 4th) he reported that the attempt to revive a fresh agitation against the Transvaal had fallen flat; but 'Chamberlain continues his irritating and unfair policy towards the Transvaal which does so much harm not only there but in other parts of the world'. There was no consistency in him. It was not long since he had made his 'Long Spoon' speech about Russia. 'Yet today we have an agreement with Russia!'

On the following day, in a letter to Cronwright Schreiner, he dwelt on his favourite theme that South Africa must work out its own salvation:

It cannot be governed from here; that is really an impossibility, and more so now than ever when the lust for gold has made it a Naboth's vineyard to the Philistines. The whole London Press has taken one tone, except only the *Star* and *Morning Leader*. Even the *Chronicle* under Norman, in Massingham's absence, has gone Jingo. Massingham is leaving the *Chronicle* shortly. The *Manchester Guardian* is the only fair and just journal in its tone towards the Transvaal.

On May 6th he wrote again to F. W. Reitz:

You have every sympathy from me at this time. It is enough to try the patience of a saint and exhaust it. The conduct of the Press here is scandalous. There seems to be some stock-jobbing interest in the agitation, at least here; and I am told by those who ought to know that this is so. But apart from this Chamberlain's action is most unwise and undiplomatic, to say the least of it. . . . He thinks he must keep his Jingo followers sweet by these attacks on your Government, while he is careful to assure moderate people that he means nothing serious and will *act* with prudence. But it is a dangerous game, and the feelings aroused in South Africa by such conduct cannot be ignored. Sir Donald Currie is doing his best to prevent mischief and is very much disgusted with the Press, particularly *The Times*. You can hardly imagine what a strong feeling exists against Chamberlain among the old Whigs and old Liberals; but they are powerless at present.

The attempt to upset your negotiations with the mining industry is shameful; but I beg of you and urge on you *patience* and firm adherence to the right and proper course on which you are now started. Let nothing, however great the provocation may be, exasperate you, or lead you into precipitate action of any kind.

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Mistake?

Sir Donald Currie anti War

James

At the end of May a letter from his brother James thanking him for a generous cheque told him of a new demand of Chamberlain's — 'If the Boers grant the franchise, the Outlanders need not take the oath of allegiance! That is the crux.' Yet James was an optimist. There had been splendid rains and the country looked grand. 'I believe we are in for seven fat years.' But alas, all attempts at conciliation were failing, or destined to fail, at one point or another. De Villiers went to see Kruger at the end of April and found Kruger's Ministers well disposed to the idea of a friendly conference between Milner, Kruger and Stein. But on May 8th Milner cabled his 'Helot Despatch' to Chamberlain, declaring that 'the case for intervention is overwhelming', and that Her Majesty's Government should give some striking proof of its intention not to be ousted from its position in South Africa. Chamberlain, however, approved of the proposed conference and delayed the publication of the despatch in which Milner had compared the Outlanders to helots. But for Milner Chamberlain might have settled with Kruger; but Milner's diplomacy was of the Prussian type. He would not compromise over the franchise. He would accept nothing less than a five years' retrospective franchise and Kruger would not go so far, so the Bloemfontein Conference ended in deadlock on June 5th. This failure, as Professor Eric Walker put it, 'brought the cartridge stage visibly nearer.' After Chamberlain published the Helot Despatch of May 4th and the Grievance Despatch of May 10th he told the House of Commons that a new situation had arisen. 'Thereafter', writes Walker, 'there was no turning back. The Transvaal must either bend or be broken.' Natal called out troops. The Rhodesian Press in London and South Africa raised the cry of 'Remember Majuba'. At Kimberley De Beers was preparing for war. But as yet the British Cabinet had not accepted a war policy. Sir William Butler, the Commander-in-Chief, whose policy would have been patience and conciliation, had warned the Government of the fighting strength of the Transvaal and Free State, and of the necessity for reinforcements — there were only 7,000 British troops in South Africa — if a warlike policy was to be embarked on. Yet for months his instructions from the War Office had been to cut down expenses, and Milner, blind to the military aspect of his policy, quarrelled with Butler and got him recalled. He was determined to force Kruger's hand in disregard of his own Ministry at the Cape. Accordingly when the Cape Parliament met on July 14th the Governor in his speech from the Throne made no mention of the Transvaal, Sauer and Merriman tried hard to persuade Schreiner to introduce a peace motion, but Hofmeyr opposed it and Schreiner refused to move. This inaction of the Cape Ministry made it very difficult for the friends of peace in England to do anything.

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CHAPTER XV

MOLTENO'S EFFORTS TO AVERT THE BOER WAR

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It will not be disputed that the life of a man, independent, disinterested and public-spirited, who uses a well-earned influence with his countrymen for righteous ends, a truth-seeker and a lover of justice, offers an inspiring example to those who come after him. It was with this end in view that John Stuart Mill used to advise his young disciples to read Condorcet's *Life of the divine Turgot*. Morley's *Life of Cobden* is not less edifying. But those who have no thought of an exalted station or of wielding world-wide influence might well take Percy Molteno as an example of what may be achieved, and in my opinion there is nothing in his life or that of any of his political contemporaries more to be admired than his unsuccessful efforts to prevent the Boer War and his successful efforts to retrieve by magnanimity and a Liberal act of trust what had been lost through the policy of Imperialism.

Doubtful Judgement re Percy & Boer War

In this chapter we have to describe Percy Molteno's efforts in the summer of 1899 to avert the impending danger of war from the Cape Colony, his beloved early home. His character never shone to better advantage. He was resourceful, indefatigable, vigilant and far-sighted.

As soon as Chamberlain published his Blue Book with Milner's despatches Molteno saw that war was in the air. The main thing, he wrote to Charlie, was the Blue Book, and especially Milner's telegraphic despatch to Chamberlain. The gist of this weighty letter, marked private and confidential, was, in brief:

Milner's despatch discloses his unfitness for the position he holds. It may have been intended for Chamberlain's ear alone; but it is now public and it shows that he has imbibed and believed all that the Jingoists have been saying. The tone of the whole document and his constant references to the *Cape Times* have opened people's eyes here. Old and experienced officials are thunder-struck. His rhetorical references to the thousands of British subjects as in the condition of helots, and other similar passages, are nonsensical and out of keeping with an official document. I fear the publication will render his position useless for good, if indeed it does not make it untenable.

War!

If you look at Chamberlain's despatch you will see that he had suggested a conference even before Hofmeyr's and Schreiner's proposals arrived, and had agreed that Milner should go to Pretoria. Observe too that it is Milner who suggests drastic measures, and I hear now on very good authority that when he was last here he urged them on Chamberlain, without success. At the time I hardly believed it; but every page of this document tends to prove that such was the case. No wonder the Bloemfontein Conference failed when Milner was the only man who did not want it but wanted drastic measures instead. I now hear that the majority of our Ministry will not think of war and I think also that Mr. Chamberlain does not wish it.

Percy Wang

Percy made some allowance for Chamberlain on account of his Jingo followers, and he also found some encouragement in a more moderate speech made by Milner on June 12th. The difference between the British and Boer proposals were so small that there could be no justification for the British Government beginning a war. 'Nevertheless', he proceeded, 'your Parliament occupies a position of great responsibility and great advantage at the present juncture.' A resolution by it would be understood in England and would carry enormous weight as the expression of the opinion of the Colony:

A wise peace resolution, couched in moderate and conciliatory terms, but leaving no doubt as to its meaning, would have a very steadying effect. Whether you should go on to censure the High Commissioner is a much more grave and doubtful matter, and it should be considered very carefully. The responsibility of the Cape Colony is a responsibility independent of the High Commissioner, and even if the High Commissioner goes wrong it would be the duty of the Cape Colony, whose interests are so seriously at stake, to say so if things become more critical.

He asked Charlie to regard the letter as confidential, but he was at liberty to read it to friends and members of the Party whom he might think proper to consult. Soon afterwards he wrote to his sister Betty:

I feel I must do anything I possibly can to avert war, regardless of cost to myself or my interests. You will see how freely I speak. I have tried to get Cape people to help, but it is miserable to find how cautious, fearful and calculating they all are. But this does not deter me. I have interviewed several editors and have seen many Members of Parliament; and I have now got into touch with Sir H. Campbell Bannerman, the Leader of the Liberal Party.<sup>1</sup> I lunched at his house yesterday (July 3) and entered most fully into the whole situation. He takes the view, which we do, that nothing but disaster can come of the use of force; but he says the situation is most difficult because action on his part might precipitate a crisis.

I am now working with his lieutenants, and we are arranging questions in Parliament, the first of which was asked to-day as to whether the Cape Ministry has been consulted.

At the end of June Percy had received very bad reports from South Africa. James Hay wrote on June 12th from Johannesburg:

The South African League, of which Rhodes is President, are doing all that they can to force Kruger to climb down, or to compel him to fight England. Rhodes has the ear of Chamberlain. . . . Our papers teem with abuse of the (Transvaal) government. I think the Boers will be hounded into doing rash things. If the British Government send an ultimatum demanding immediate compliance, I do not think anything can avert war. The result will be no settlement of the South African question. If the Dutch are to be

<sup>1</sup> On June 26th Harold Cox wrote to Percy that he had been talking with C.B.'s private secretary, Captain Sinclair, M.P. 'He thinks that the first thing to do is to get you to meet Campbell-Bannerman and press your views on him.'

Percy to Betty  
re his  
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supreme, the English will be discontented; if the reverse the Boer will be equally so, and progress impossible. The people in England who want a peaceable settlement should do something.

This letter roused Percy to action, and on July 1st he telegraphed to Charlie, who had also taken alarm, 'it is absolutely necessary to give notice at once publicly (of) Cape Parliament Peace Resolution. It must be cabled.'

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On the same day he sent to *The Times* a masterly letter on 'The South African Crisis' in reply to Rider Haggard, the author of *King Solomon's Mines*, who had arrayed himself with the Jingos.

Letter to  
The Times

The time [wrote Molteno] appears to have arrived when those of us who have known South Africa must speak out in protest against resort to the arbitrament of war, which is now advocated as the solution of the South African difficulties. . . . Mr. Rider Haggard has appealed to certain credentials to give to his opinion, and I feel it necessary to introduce my subject by also appealing to certain credentials to prove that I speak with knowledge of South Africa. My grandfather made it his home; he was for twenty years in succession chairman of the first representative body in South Africa, the municipality of Cape Town, and subsequently was a member of the first Cape Parliament and of the Legislative Council. My father was for a quarter of a century a member of the same Parliament, and was the first Premier of the Cape Colony. I am personally acquainted with Johannesburg and many of its leading men; and, in my position as a director of several companies carrying on business in the Transvaal, I am in continuous communication with persons resident there.

James  
Political  
Office  
J. C. M.  
P. L. L.

my director  
several  
companies

Amid the statements which pour upon us in bewildering profusion on the one side and on the other, what are we to believe? Where are we to reach solid ground? What is the proper course we should take to ascertain the true policy to be pursued at this crisis? It may be said Sir Alfred Milner has spoken, and Mr. Chamberlain has spoken, and they agree; but this does not exhaust the authorities who ought and should be consulted. So far as Mr. Chamberlain is concerned, his advocacy of drastic methods at the present moment loses force when we recall the fact that he has always, from the first few days after the Raid, attempted to use force in the solution of these difficulties.

Within a week of the raid Mr. Chamberlain proposed war if Mr. Krüger did not immediately grant the wishes of the Uitlanders. On January 7th, 1896, he telegraphed to Sir Hercules Robinson that 'he was considering, in concert with his colleagues, the propriety of immediately sending a large force, including cavalry and artillery, to the Cape, to provide for all eventualities.' Sir Hercules Robinson's reply shows the use which it was proposed to make of these forces. He replied on the 8th: 'I thought President Krüger has behaved very well throughout this matter, that public excitement was now allayed, and that I should deprecate the proposed despatch of a large force.' Having failed to obtain the support of the High Commissioner for his policy of force, Mr. Chamberlain desisted for a time, but upon the refusal of President Krüger to accept his scheme set out in the despatch of February

4th, 1896, the crisis again became acute. Thereupon, unasked, the Governor of Natal under date April 2nd telegraphed to Mr. Chamberlain that his Ministers had sent him a minute stating that a communication possessing almost the 'character of significance of an ultimatum' had been addressed to President Krüger, unless he accepted the invitation to visit England without conditions. 'Ministers . . . consider it their duty to point out that all the Governments of South Africa favour a policy of peace, knowing what the disastrous results of a race war must be, and that an outbreak of hostilities between the European races will have a disturbing effect on the natives throughout South Africa, the evil consequences of which cannot be estimated.'

A few days later an address was presented to Lord Rosmead by 65 members of the Cape Legislature, urging him to inform Mr. Chamberlain that it was only by a policy of patience and mutual conciliation that the peace of South Africa could be preserved. Thus both the Cape and Natal protested against a policy of force, a view in which Lord Rosmead with his unrivalled experience entirely concurred. This was crisis number two.

Crisis number three ensued. Again South Africa intervened, and the following resolution was, on April 27th, 1897, passed by the Cape Parliament:

That this House is of opinion that the occurrence of hostilities among the Europeans in Africa would for many years prove disastrous to the best interests of the country . . . and that by the adoption of a policy of moderation, mutual conciliation, and fairness in the discussion of and dealing with all differences the tranquility of Africa can be further assured.'

In face of this resolution of the Cape Parliament war became again impossible. It will be observed that neither Sir Alfred Milner nor Mr. Chamberlain has made reference to any support for their policy on the part of the Cape or Natal. Have the views of these colonies altered? Have they been consulted in this crisis? It is plain that their interests are more nearly affected than those of any other part of the Empire by whatever may be done by us in the Transvaal.

Mr. Chamberlain has himself consulted both the Cape Colony and Natal upon his proposed changes in the government of Rhodesia. The question of the Transvaal is of infinitely more importance, and we have a right to know whether, when contemplating so tremendous a step as that of force, Mr. Chamberlain is acting with the advice and with the consent of the Cabinets and Parliaments of our great self-governing colonies of Natal and Cape Colony. This is one appeal I would make to the people of this country — to stay their hand and to keep their minds free and unbiassed until they have assured themselves that the machinery of the Empire embodied in the responsible Governments of the Cape and Natal has been brought to bear upon this most momentous question. The problems of South African government are extremely complicated. Sir Alfred Milner has had a comparatively short experience. He himself and his whole staff date their experience from a time subsequent to the Raid, from which time it has become increasingly difficult for any new-comer to pick up the tangled threads of South African policy. We have seen that Mr. Chamber-

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majority*

*Peru's Position*

lain has always desired to use force. His lieutenant must have been aware of his views in this respect, and to that extent must have been biased. But were there any doubt upon this subject it has been settled by the publication of Sir Alfred Milner's unfortunate despatch, which in its composition appears to entirely lack the essential characteristics of moderation, prudence, and patience. The whole statement of the case by him is that of an impassioned advocate of a cause, and not the deliberate summing up of a judge. Has his experience been such as to give us confidence in his judgment on such a question? Sir Alfred Milner's experience in Egypt has been with a subject race. He has to-day to deal with two of the most stubborn races in the world, and two of the most freedom-loving. He has had no experience of constitutional rule in free communities.

Should we not attach the greatest weight and importance, even to the extent of qualifying the advice of the High Commissioner, to the views and advice of the Cabinets and Parliaments of the Cape Colony and Natal, who speak with long experience of South Africa and under a sense of the deepest responsibility? We are all agreed that reforms must come; but the manner of their being brought about is everything. The end is good; but the end does not justify the means. The difficulties with which Mr. Krüger has to contend are very real. . . . A resort to force is bad policy. It will tend to extend the area of difficulty to the whole of South Africa. We have to-day a consolidation of interests in the Cape Colony and in Natal between the two great races, who meet together to discuss any difficulties there may be between them constitutionally in their Parliaments. Are we, for the sake of pressing for an immediate and sudden and revolutionary change, to risk this consolidation?

The above letter, which I have abridged, was published in full by *The Times*, but not until July 10.

Between the date of the letter and its publication Percy was very active. He helped to form a Committee to watch South African questions and counteract the influence of the South African Association.

An interesting letter which he preserved from a Conservative in the country who joined the Committee expressed a fear that

the bulk of the Conservative Party (if I may use the term any longer) is so hopelessly imbued with the vague incoherent ideas of the prevalent bastard Imperialism that it is almost hopeless to expect much help from the sworn supporters of the Government in the work we have taken in hand.

Still, he found many people of neutral opinions strongly opposed to any war to force a franchise upon the Transvaal government.

At this time Percy saw Milner's friend E. T. Cook, the acute and influential editor of the *Daily News*. Cook, he

Percy forms Cre

thought, was inclined to go in for a compromise policy instead of war and made out that Milner was working for this with Schreiner. On July 7th Percy told Charlie of his lunch with Sir H. Campbell-Bannerman and Captain Sinclair. C. B. thought that the war preparations were probably bluff, but

it was a dangerous game; for if bluff fails then you were committed to the use of force. I urged that the Constitutional course was to take the advice of the Cape Government. C.B. entered most fully into the whole situation.

Among others who came to Percy's aid was Philipson Stow, who had made a fortune in South Africa and was eager to help in the uphill fight against the forces favouring war. This was the beginning of a lifelong friendship. The peace party was now strong enough to arrange for a big meeting in the St. Martin's Town Hall. It took place on July 10th and Percy was one of the principal speakers.

Percy's letter to *The Times*, which appeared on the morning of the meeting, established his authority on South African questions and brought many adherents to the peace movement. It stirred to action many good Liberals and Radicals, and there was an immediate demand for its republication as a leaflet. Ernest Parke, the Managing Editor of the *Star*, wrote to Percy, whom he did not then know: 'We have drawn attention to your letter in *The Times* which I should greatly like to see reprinted and widely distributed in the next week or two.' Sir H. Gilzean Reid wrote from Dollis Hill House, that he had called the attention of the editors of all newspapers with which he was connected to the 'remarkable letter of Mr. Molteno in to-day's *Times*. He thought it should be reproduced and widely distributed among journalists and Members of Parliament.

The reproduction of the letter was immediately undertaken and executed by Arthur Spurgeon, of the National Press Agency. He wrote to Percy on July 17th: 'we have received a great many applications already for your pamphlet. They have all been dealt with to-day.' He had also despatched ten thousand circulars. Thomas Burt, M.P., the Secretary of the Northumberland Miners' Association — wrote to Percy on July 17th asking him for a hundred copies of the pamphlet.

Many of our miners [he wrote] are in the Transvaal. Mr. Ralph Young, myself, and others of our official colleagues are doing our best to keep our men well-informed, and especially to keep the controversy within the bounds of reason and conciliation. Your letter to *The Times* will be very helpful in that direction.

Thomas Burt, Member for Morpeth, had great influence with the Northumbrian miners, and throughout the war shared the feelings of another famous Northumbrian, Sir George Trevelyan, who had retired from politics and was then writing his *History of the American War of Independence*. Burt was also a friend of John Morley, whose political battles at Newcastle had kept the Home Rule flag flying until the Liberal débâcle of 1895.

Public  
Mtg  
TL

Letter to Times  
becomes  
leaflet

Imp

# Liberal Opponents of Boer War

39373 Molteno 237

Watson

Another friend of Morley, who proved to be one of the most powerful opponents of the Boer War, was Dr. Robert Spence Watson, President of the National Liberal Federation, a member of the Society of Friends and one of the finest platform orators in the country. A week after the publication of Percy's letter to *The Times* he joined in the fray with an effective leaflet entitled 'The Transvaal Crisis A Brief History of the Republic', which dealt very trenchantly with the grievances of the Outlanders and with the attempt by Milner and Chamberlain to force franchise reforms upon President Kruger at the point of the sword.

It is time [wrote Spence Watson] that the truth were told about these grievances. What are they? To hear some men talk you would imagine that they were personal torture at the least. The worst of them are not nearly so bad as the injustices inflicted by the Tories upon Ireland only ten years ago. . . . The great majority of those who denounce the prohibition of public meetings in the Transvaal applauded their prohibition in Ireland.

Good Letter

The grievances have been stated thus:

- (1) The compulsory learning of Dutch in the National schools: but the learning of English is compulsory in Welsh, Scotch, and Irish National schools, and Celtic and Gaelic are strictly forbidden.
- (2) The defective police and sanitary regulations: our own have many imperfections.
- (3) The monopolies and various taxes upon necessities: there is something of a land monopoly in our own country, and we are far from a free breakfast-table, and tax salt and sugar in India.

Those of us who believe in the widest freedom for those who speak and write, who have long fought for universal suffrage, not confined by creed, colour, or sex, are most earnest in urging upon President Kruger and the Boers that the wisest policy is the most generous one. But it is too clear that franchise, grievances, and all the rest are with too many of the war-thirsty section of our countrymen mere pretexts. It is gold they want; land they want; the Transvaal they want. The iniquity of war is never mentioned; its unwisdom is sneered at. . . . Parliament will soon be dissolved, and then the greatest danger begins.

All who abhorred injustice should speak out, and all who held their country's honour higher than land or gold. A fine but unavailing protest against the war spirit and the worship of the golden calf.

TL  
1899  
Mail  
Contract  
renewed

On July 11th his sister Maria Anderson had written to Percy: 'I am so glad to see the Mail contract is at last finished, and the old companies have got it again. 'Mr. V.', which I suppose means Dr. Rutherford Harris, is furious. . . . I am so delighted he means to resign his seat in our Parliament. I saw in last night's Cable News that you had written to oppose Rider Haggard's statements. Things still seem very unsettled and feeling is running very high, which is such a pity. Things are said in the heat of the moment which can never be un-said. The Johannesburg people here are very bitter over things in the Transvaal as good — [name indecipherable] says: 'if there could only be no newspapers for six months, all would come right'. Betty has been up there, and also — I hear from report — went to Pretoria and saw Paul Kruger.

Betty goes to see Pres. Kruger

Her efforts vs Boer War  
This political agreement must have drawn Percy, James, Charles, Condie & Betty v. close together

net on Family

On July 14th Betty wrote to Percy from Cradock. She had seen in a telegram that he had been speaking at a meeting in St. Martin's Town Hall. Olive Schreiner was with her and had just written a pamphlet protesting against an unjust war which would be equally injurious to England and South Africa.

Betty & Olive Schreiner together

I am breathing somewhat more freely [she added] since the Raads agreed to accept the Hofmeyr-Fisher proposals — especially since the rumour that the British Government are in more amicable correspondence with the Pretoria Government.

Her friend, Olive Schreiner, she added, 'was vitally loyal to England' and was pleading in her pamphlet as much for England as for South Africa. She had been staying with Schreiner, the Premier, for a fortnight, and compared him to a massive bit of granite! 'He is perfectly wholehearted as to the Transvaal matter.' He still has hope of Milner 'as one who was strong enough to oppose Chamberlain'.

Was Schreiner a fool?

Impressionable people are sometimes right. In this case events proved that Betty was wrong about Schreiner, and Schreiner about Milner.

After his letter to *The Times* those who desired to avert war in South Africa naturally turned to Percy for counsel and information. At that time the Manchester Guardian of all English newspapers was the best exponent of sane liberalism, and its editor-proprietor C. P. Scott held a unique position in English journalism. He was master of a great organ of liberal opinion and kept a vigilant watch on public affairs. Since the time of the Jameson Raid, he had been filled with distrust of Chamberlain, and now he determined to have the problem explored on the spot by a competent economist and thinker. So, having made his choice, he wrote to Percy on July 19th, 1899:

Percy helps The Guardian re prevention of war

'Dear Mr. Molteno,

TL Mr. J. A. Hobson, whom you have met, and who is going out for us on Saturday to the Transvaal, tells me that he has asked you for one or two introductions. I shall be very grateful for any you can give him. He is an able fellow and holds strongly the views on the Transvaal question which have been advocated in the Guardian. Pray forgive me for troubling you.

J.A. Hobson to SA for the Guardian

Yours very truly,  
C. P. Scott.

A better correspondent could not have been chosen; nor could Percy's introductions have been better used. It happened that at this time I was one of a group of young liberals opposed to imperialism, and therefore of the school of Sir William Harcourt and John Morley. We had taken over the *Speaker* from Sir Wemyss Reid and were about to launch it under the editorship of J. L. Hammond. Our agreement with Scott, L. T. Hobhouse, Hobson and scores of others on the Boer War led to many lifelong friendships to which the survivors look back with unmitigated satisfaction. Mr. Hobson's visit to South Africa provided us with an invaluable store of economic and political facts, figures and arguments against the war policy of Rhodes, Chamberlain and Milner. Before he left Capetown to return to England the war had

Hobson's first a Liberal - but anti-imperialism

Percy's etc (later pub'd J.A. Hobson?)  
views as pamphlets

39373 Molteno 239

begun. Many of his subsequent articles appeared in the columns of the *Speaker*, and Percy Molteno was instrumental in giving some of them a wide circulation as pamphlets of the South African Conciliation Committee.

In his autobiographical *Confessions of an Economic Heretic* (1938), Mr. Hobson has told how L. T. Hobhouse urged his Editor C. P. Scott 'to send me out on a voyage of political enquiry to South Africa, when the outlook began to be dangerous'. In South Africa

I met and talked with all the leading public men—Kruger, Reitz, Smuts, and Hertzog in the Transvaal and the Free State; Milner, Schreiner, Merriman, Sauer, and Hofmeyr at the Cape. I dined with Rhodes at Groot Schuur on the eve of the outbreak of war. . . . While Milner told me that it was necessary 'to break the dominion of Afrikanderdom', Rhodes professed to disbelieve in the Boers' willingness to fight.

It became evident to Mr. Hobson that 'the capitalists of the Rand were planning straight for war, and were using the British press of South Africa as their instrument for rousing the war spirit in England'. The methods of British Imperialism, he remarks, were dramatized in the Jameson Raid, and the revelations at the Raid inquiry 'indicated the connivance of important British statesmen in this attempt at forcible aggression'. Mr. Hobson's skill in dissecting the ramifications of the Chartered press and his exposure of its fabricated atrocities remains unanswered, and the book which he published in 1900 on *The War in South Africa; its causes and effects*, should be studied by all seekers after the truth.

They may read on the other side Fitzpatrick's *Transvaal from Within*, but they will almost certainly rise from a study of these two books and of other contemporary work with a feeling, to quote Mr. Hobson, that 'the outbreak of the Boer War in 1899 will rank in history as the simplest and plainest example of the interplay of political and economic motives in imperialism'. This interplay of political ambitions with greed for gold is seen in the designs and actions of Cecil Rhodes between 1895 and 1899. He was the incarnation of that sordid spirit of imperialism which debases public life and unless arrested in time must destroy a modern democratic empire as it destroyed that of Athens.

Had it not been for the powerful and sustained protests of liberal-minded truth-loving Englishmen, impelled by a strong moral purpose and guided by faith in the people, the great movement that swept Sir Henry Campbell-Bannerman into power and restored complete self-government to South Africa, could never have taken place. This was the work of the men and women with whom Percy Molteno was associated in England and at the Cape. There was an achievement more successful than that of Burke and Fox and their friends who opposed the American policy of Lord North. And if the oratory it evoked was not quite so splendid, the debates in the House of Commons and the discussion on thousands of platforms throughout the country from 1899 onwards testify to the political spirit, moral fortitude and generous tolerance of the British nation, once it has seen the truth.

On July 18th, Percy told Philipson Stow that James

Percy became an MP

J.A. Hobson

Cause of War

Boer War

1906

Liberal

London

Imperialist

Bryce approved of the formation of a peace committee. He intended to invite Leonard Courtney, Commander Bethell and Sir Andrew Clark who had written approving of his letter to *The Times*. He was receiving many letters of support. One had come from John Bright's daughter, Mrs. Clark, another from Thomas Burt and another from Sir John Brunner. To Mrs. Clark he wrote: 'Would that John Bright were still among us to paint in its true colours our treatment of the Transvaal and the present cry for force and violence where every consideration demands prudence, forbearance and patience.' Mrs. Clark wished to publish the whole of this private letter, but Percy telegraphed in the negative as it was not written for publication 'and I would like to weigh every word before publishing anything'. He said he was writing and working under great pressure. At this time (July 21) he was writing introductions for J. A. Hobson on behalf of the Manchester Guardian to F. Reitz, the State Secretary of the South African Republic and to friends at Johannesburg and Cape Town. He was a little more hopeful after seeing James Bryce and Shaw Lefevre. The latter said war was 'impossible'. There had been a tremendous 'run' on his letter, of which about 15,000 copies had now been circulated. A useful committee to watch South African affairs was being formed and considerable funds had already been promised. He had seen Sir Robert Herbert who agreed with much of his letter to *The Times* and said that 'the Colonial Office were putting aside the lessons of the last fifty years in the history of South Africa and were showing no consideration for the Dutch'. Sir Robert also remarked that 'Milner was a very good clerk for an Egyptian administration but he had failed to grasp the position'. Herbert also expressed surprise that Milner 'seemed to have no instructions in the serious negotiations at Blomfontein' where he spoke 'in a sort of Almighty fashion'.

In a long letter to Charlie dated July 28th Percy complains that his cables have brought no replies from the Cape and that his lack of knowledge as to the attitude of the Cape Ministry and of Schreiner had crippled or even paralysed the Liberal Opposition at the end of the Session. That was why they could not take a decided line on the adjournment. Percy had attended the Debate. Campbell-Bannerman's speech was very reasonable, while 'Chamberlain was as nasty and as unwise as possible'. Two important Liberals had spoken for the Government, while two or three Unionists including Leonard Courtney and Commander Bethell had spoken against Chamberlain.

On August 11th Percy wrote to Charlie:

Chamberlain has again used his chance of the closing of Parliament to make one of his threatening speeches, now followed up by the renewed movement of troops. Well, I want to tell you this, so that you may not be too much alarmed. Campbell-Bannerman is of opinion that no war can be declared without calling Parliament together . . . There is no doubt that the view of C-B. is correct, and further, the rejection of Franchise Reform would distinctly not be a *causis belli* . . . I want you to realize that this tall talk and troop movement is to some extent bluff.

Times letter

Support for  
Percy - & his  
public profile ↑

TL

In fact  
from

Liberal split  
on Boer War

Percy wrong  
again!

A letter from Charlie just received had relieved his mind as to the position of the Cape Ministry and the certainty of Schreiner keeping his majority. Percy and his friends had begun to feel that the Ministry might be afraid to take the opinion of the House and this suspicion had helped to paralyse their action in the House of Commons.

On August 18th, Percy wrote to General Sir William Butler. After reminding Butler that they had met in the previous year, when Percy wished him *bon voyage* on his departure to South Africa, he expressed his appreciation of Butler's published despatches on the South African situation, adding:

Sir W. Cameron, your predecessor, says war is preposterous, but that the Press has done infinite mischief, and that Chamberlain has never yet put the Dutch view fairly before the public here; and he says the idea of British supremacy being in danger is absurd.

He went on to cite other authoritative views.

Sir Robert Herbert felt that Milner had failed lamentably; he had confounded Dutch dislike of Rhodes with disloyalty to the Empire. Sir H. Bulwer said the Colonial Office were making one of their huge errors in South Africa, and condemned the whole style and tone of the despatches:

These are all opinions expressed to me personally. A gigantic mistake is being perpetrated by the Colonial Office. The late Lord Rosemead said to me, 'I told Mr. Chamberlain that if he used force he would need twenty or thirty thousand men and would spend £20 millions; and then what would he have done? — he would have raised an Ireland on our hands in South Africa.' Those of us who know and love South Africa appreciate your action and honour you for it, and fully believe that your views are dictated by wisdom, prudence, insight and liberal humanity of feeling. Chamberlain and Milner are wanting in the greater qualities of heart and mind and sympathy — qualities essential in statesmen who are to govern successfully our great and composite Empire.

On August 18th Percy wrote to Charlie:

It is said that recruiting is going on at Cape Town for a Rhodesian irregular force. Is this so, and is it with the consent of the Cape Government? Surely Cape subjects cannot be used in this way without the consent of the Ministry.

I see some talk in your cables about suspending the Constitution. You and your friends must be well aware that only an Imperial Act could do this. What Milner could do would be to keep Parliament prorogued and so keep in a Ministry of his own choosing. But this would be so grossly unconstitutional that it would be like a beginning of civil war, and you could by appeal to the proper tribunals upset such action. I see rumours of the resignation of the Ministry, and do not know what to make of them.

It now appeared that Sir W. Butler had resigned as a protest against the Milner-Chamberlain policy. This

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£200000  
£200000

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HMG  
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Cape Gov

9

2

Did  
This  
happen?

Barnard asked forces commander  
in SA resigned in protest  
before war

was of great importance, but its first effect would be to encourage the jingoes and dispirit all moderate men:

Here there is a sort of general rest and holidays for all public men, who are recuperating after the fatigues of the Session, and nothing can be done. Courtney, I am told, would be ready to attend a series of public meetings after the holidays to protest against war, but he is too jaded and would have no audience now.<sup>1</sup> I see Cape members have advised Kruger to accept the joint commission, and now, if he is making further concessions, I presume he will have the support of the Cape Colony and Free State.

The new General (Forestier-Walker, in succession to Sir William Butler) goes out by this mail. You will know him better than I do, though I remember him pretty well. He would not have supreme command in the event of war, and I believe the rumours of Sir Redvers Buller being the man are well founded. Anyway, he was making inquiries as to sailings of our vessels the other day. I think it is possible that I shall take my holiday by going abroad about September 4th, but I hope you will write me fully. I am in touch with the Liberal Party, and they look to me for information from time to time.

On the same day, August 18th, Percy wrote to Schreiner:

I write to thank you most sincerely for your kindness in sending me five volumes of Theal's Records. I had tried to obtain them here, but failed. I am anxious to have as complete a set of works as possible bearing on Cape history.

I have refrained from writing to you directly for the last few months for obvious reasons; but I have asked my brother to send you some of my letters. I am in close touch with Sir H. Campbell-Bannerman, and have immediate entree to him on any important matter; this may be of use to you at some time or another. We have just heard that our (mail) contract has been ratified by Parliament, and I am very glad it was well received.

I will not enlarge upon the crisis, but will only say how much I feel for you and your colleagues in the enormously difficult position in which you have been placed. The strain must be tremendous . . . May your health and strength be equal to the extreme demands upon them.

Percy's next letter (August 25th) was to Charlie:

I am very glad to see that the Budget proposals have been carried by a substantial majority, showing that your Ministry is really safe.

Yesterday I saw a military man who has long enjoyed the friendship of Sir William Butler. He tells me the position is as follows — Butler resigned without conditions, but it was not without pressure from the Imperial Government; but not on Wolseley's initiative, for he is a firm friend of Butler. So it was on the initiative of Chamberlain.

As to the military preparations, he had just been at the War Office and had seen the man in charge of all

<sup>1</sup> I was with Morley at Hawarden and he complained that C-B. and Bryce were on holiday and that, being at Marienbad, C-B. was out of action.

Percy in close  
with Liberals  
- CB

Percy in favor  
Cape PM -  
had been w  
father when h

Comment  
to Top

the arrangements for moving troops, etc. He told 'there would be no war'; and further, all the money they had to play with in this way was exhausted, and they have no more supplies without calling Parliament together. This, of course, is all very confidential, but you had better read it to Schreiner.

It seems to me that the Imperial Government would now welcome a chance of making good terms; but having moved all these troops and made so much fuss they want the biggest concessions they can get short of war. There has been a determination to risk war with no desire for it. But of course, as you say, the backing of the ultra-jingo section by the High Commissioner and by Chamberlain has had disastrous results.

*Percy wrong  
Owing to  
position  
needed*

~~Your best policy is, however, patience and self-restraint, and from this point of view the patience and true patriotism of your party has been admirable. It has been most cruel and unfair of Chamberlain to put such a burden on the Dutch . . . You are in power at the Cape and your constitutional position will really enable you to gain all you want in fair play and to protect your vital interests. Time must strengthen your party more and more. . . . The great thing now is for all your leaders to keep calm and not be unduly alarmed by all this bluster, though of course, if Kruger took up an uncompromising attitude, the bluff would have to be followed up by real action, Chamberlain has made it impossible for himself to climb down. I am very pleased at what Hofmeyr says as to Kruger's personal desire for a settlement. It is the best safeguard for peace. . . . I have just been seeing political people in Scotland. They are averse to any war, but of course they know little of the subject. You will see that Sir Donald spoke on the trial trip of the *Kinfauns Castle* in favour of peace. I think Fraser, who represents England at Pretoria in C's absence, was glad to get away. He thinks Milner no diplomatist and says his despatches are leading articles. Will you tell Schreiner privately and Hofmeyr that I much appreciate their friendly attitude over the Cape mail contract. I am glad to see that Parliament ratified it without a division. . . . I may say in conclusion as to the situation that I am very hopeful of a peaceful solution now.~~

X

*touch  
leader*

*L with  
as Comm  
with Percy  
was PM*

*ial Access  
Services*

We are sending out a magnificent steamer next month, the *Kinfauns Castle*: make a point of seeing her. There is no finer work to be had in the world than what you will see in her. We want peace, though, to fill her. We have been suffering very much through all this unsettled time. No carrying of troops makes up for the destruction of our regular trade.

On September 2, he reported to Charlie:

There is not much to write of. Chamberlain made another of his nasty, hectoring, swashbuckler speeches; but he does not seem to be taken seriously here—though such speeches must have a most disastrous effect in South Africa.

I had some talk with Lord Goschen's secretary on Monday, and though he was reticent, I could see he had no belief in war. The negotiations are in rather a confused state just at present, but I cannot see any ground for believing war to be likely. I am very glad to see that Innes dissociated himself from the dastardly attacks which are being made upon Schreiner, in

*Percy wants peace for commercial reasons too*

*Percy consistently wrong in (1) His estimate of likelihood of war  
(2) His Advice to Cape PM to keep calm*

which Garrett is distinguishing himself. . . . I am hoping my (*Life*) [of his father] will come out soon. I have just gone through it finally for the printer with a reader. It has many lessons for the present.

He was about to leave for a holiday on the Continent with a comfortable impression that there was no immediate fear of war; and there is no more in the letter book until after the outbreak of hostilities.

Before leaving he had given instructions to the Commander of the *Northam Castle* to see that General Sir F. Forestier-Walker, who had been sent out to the Cape to succeed Sir William Butler, should be well cared for on the boat. He had written to the General (August 17th) 'I had the pleasure and honour of meeting you when I was quite a youth at my father's house, and beg to be allowed to offer you my best wishes upon your assumption of the Cape Command.'

While he was abroad Percy received a letter from his sister Caroline, written on September 12th, from Kenilworth. They were awaiting the news of Chamberlain's reply to the Transvaal despatch. Powell, the Editor of the *Argus*, had remarked to Charlie that some of the British proposals were rather stiff.

I had a long chat yesterday with Mrs. Schreiner. She was saying that in many of the up-country places feeling was running very high. She has been surprised at her husband's determined attitude and how he had kept up all through this difficult time; for as a rule he is so much inclined to despond and give up effort under discouraging conditions.

W.P. Schreiner  
←

Caroline and James were still hopeful of a settlement, thinking that Kruger was too wary to be caught, or taunted into taking a false step.

We all appreciate so much your efforts, and only wish more could be done from this end to co-operate with you. But the Cape Ministry was afraid of doing anything that might seem to prevent Chamberlain and Milner from having what they might call fair play for their policy.

Siber

!!! Extraordinary  
Cape pol  
made huge  
mistake

It was this silence of the Cape Ministry had made John Morley very reluctant to protest against Chamberlain's policy.

Caroline, however, saw that a point might come when they would have to speak strongly and express the opinion of the Colony. James thought that a memorial might be drawn up for signature. She had no longer any illusions about Milner.

After all this is over I don't know how the Governor can remain here. He is most unpopular, and I only wish he could go at once. . . . Last mail brought out General (Forestier) Walker. We have met several times. He is just as nice as ever. I don't think he liked coming out under these circumstances, but of course we avoided touching upon politics. He and his aide-de-camp paid us a long visit on Sunday afternoon. Yesterday he went up to stay at Mount Nelson. He liked the little bit of old garden. He said it was expensive, but rather in the way of things like whisky which was nine shillings a bottle and champagne 25 shillings. But then, as he said, you need not drink whisky or champagne.

Caroline's view  
in official  
order

Caroline thought it was a capital idea to put the price up 'on things like that'. Sir Donald Currie had sent the General some grouse, which he had enjoyed on the voyage out. Apparently the Castle Line had built the Mount Nelson hotel. Caroline had heard nothing but praise of it, and hoped it would prove a satisfactory investment, as it supplied a great want.

Percy's last letter from Johannesburg before the war was written on September 8th. It came from a Transvaal citizen who was unfit for fighting but did not like to run away, as there would be a great deal of misery to alleviate.

At last [he wrote] Chamberlain has succeeded in exciting the Boers to such a high pitch that the slow moving members of the Volksraad have given vent to their feelings in words which I fear will make war inevitable. This is not surprising. The insolent tone and speeches of Chamberlain and Milner are quite sufficient to exasperate any man.

I am glad to see that at last the great Liberal leaders, Morley and Asquith, have spoken. Especially the first named speech appears to have made a great impression. But what will all this avail? Parliament is not sitting, and Chamberlain has a free hand.

The condition of affairs here is deplorable. Hundreds are leaving, and not only well to do people but poor people are selling everything to get away. Big firms are reducing their staffs or the salaries, thereby increasing the misery. The poor middle class is made to suffer for the criminal blunders made by a lot of unscrupulous agitators who have disappeared at the first sign of danger, some of them in disguise, being afraid of being arrested.

He said there was very little race feeling in Johannesburg. He met many Englishmen, and they were always good friends. The workless were coming to his office for meals. The streets were quite deserted and business was absolutely at a standstill. As usual many people were saying that war would be 'preferable to this awful suspense.' Everybody, he said, was getting anxious for a decision. The non-British foreigners were forming corps to fight for the Transvaal Government.

Is not this a clear proof that these awful disabilities under which all the Uitlanders were suffering were greatly exaggerated. Even thousands of Englishmen are wondering what England is fighting for, if not merely for lust of conquest.

As for the way in which the Petition to the Queen had been manufactured, his bookseller had a friend who prided himself on the fact that he signed the Petition eight times under different names. To show how the 'great' Uitlander meetings had been set up he gave the case of H—n, manager of Reid Brothers, a business man who did not take part in politics. H—n received a letter from the Eckstein firm asking him to be present; otherwise his absence might have unpleasant consequences. Having refused before, he now went, not wishing to lose his position.

Currie  
and gift to  
as British  
commander  
at Cape

only  
Vigors  
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never  
Cape

Hand close  
to Morley

During August and September, 1899, I was helping John Morley at Hawarden Castle with his preliminary work on the *Life of Gladstone*. He was watching the situation in South Africa with ever deepening anxiety, and before the war broke out lodged strong and eloquent protests at Manchester and in the Montrose Burghs. It was then his opinion, and remained so afterwards, that Milner wanted war whereas Chamberlain only wanted a diplomatic victory in a game of bluff. That was also the view put forward by Campbell-Bannerman when Parliament met. Morley used to say that if his old friend, 'nimble Joe', as he called him, could have discussed matters with Kruger over a pipe they would have composed their differences amicably. This theory finds some confirmation in the famous passage of arms between Chamberlain and Sir Edward Clarke in the House of Commons on Wednesday, October 18th, 1899, when Clarke with the practised skill of a lawyer was dissecting the official story of the negotiations. Under Clarke's cross-examination Chamberlain admitted that on August 22nd he received an offer from the Boer Government (the five years franchise) which he meant to accept, but replied in an ambiguous despatch which was taken to mean a refusal. This was followed by a speech at Highbury on August 26th, in which he told President Kruger that 'the sands were running out'. Here is the quotation from the debate, which Percy and his friends circulated in every possible way to the British public.

Mr. Chamberlain: The hon. member harps on the word acceptance. He must remember he asked me the question what we intended. I myself should have thought that the Boers would have taken it as an acceptance, but I suppose it may be properly described as a qualified acceptance. We did not accept everything, but we accepted at least nine-tenths of the whole.

Sir E. Clarke: Really this becomes more and more sad. (Loud Opposition cheers.) It is dreadful to think of a country entering upon a war, when this sort of thing has been going on. Why, in the very next sentence the right hon. gentleman says: 'It is on this ground that Her Majesty's Government have been compelled to regard the last proposal of the Government of the South African Republic as unacceptable in the form in which it has been presented.'

Mr. Chamberlain: In the form.

Sir E. Clarke: It is a matter of form?

Mr. Chamberlain: Yes.

After this can anybody wonder that good Liberals and peace-lovers at home and in South Africa felt that it was an unnecessary as well as an unjust war—a war, as Morley put it, of uncompensated mischief and irreparable wrong.

At the beginning of September, 1899, when the news reached Pretoria and Bloemfontein that while Chamberlain (after his 'sandglass' speech at Highbury on August 27th) was formulating proposals for a final settlement, 10,000 British troops had been ordered to proceed to South Africa, it was read as 'something very like an ultimatum', and 'both sides drifted rapidly into war'. Milner reinforced

the Kimberley garrison; British troops in Natal moved up-country to Dundee; the Raad of the Orange Free State resolved to stand by the Transvaal, and Kruger decided to strike before the British forces were ready and strong enough to attack. President Steyn of the Free State with the support of Joubert, Botha and other Boer leaders counselled delay, hoping that a peaceful settlement might yet be possible. But on October 9th the die was cast; an ultimatum was despatched, and on October 12th, the fighting began.<sup>2</sup>

## CHAPTER XVI

## OUTBREAK OF THE BOER WAR IN 1899

*The Dominion of Afrikanerdom*

IN order that readers of this biography may comprehend Percy Molteno's activities and correspondence during the Boer War, it will be convenient to begin with a brief epitome. The tragic drama of events falls into three acts. The first, starting with the outbreak of hostilities on October 12th, 1899, and ending early in the New Year, was the period of British reverses.

The reason is not far to seek. At the start the British Government was certainly caught unprepared. Apart altogether from its morality, the policy pursued by Chamberlain and Milner was strangely inept. Their diplomacy was altogether out of step with their strategy, and blunders of the War Office contributed to the disasters that befel the army under Sir Redvers Buller, a soldier more conspicuous for courage than genius. The threatening tone of Chamberlain's speeches and despatches (and especially of the 'Squeezed Sponge' or 'Sand-glass' speech), in the weeks preceding the outbreak of war, could only have been justified by a cool and calculating Imperialist if there had been in South Africa a British army strong enough to ensure a speedy victory and make President Kruger feel that he must give way, not because Chamberlain's demands were right, but because they were backed by irresistible force. A reliable authority, Professor Eric Walker, in his *History of South Africa* (Chapter 13) holds that if there had been a British army of 50,000 men on the spot, the war might have been as short as most of the war party expected:

As it was, they had little more than half that number, and of these one-third were colonial volunteers. Provided the war was a short one — and the war of 1881 had been very short — the odds were in favour of the Boers. . . . At the outset the Boers had over 20,000 men ready to invade the northern triangle of Natal on two sides. In that colony the first of the drafts from India had landed and Sir George White had 13,000 British regulars and some 3,000 Natal levies at his disposal, of whom 4,000 men were posted at Ladysmith . . . Nearly 20,000 burghers were distributed along the southern and western borders of the Republics from the

<sup>2</sup> See Walker's *History of South Africa*, pp. 486-7.

Stages  
in Boer  
War

25000  
UK troops  
at start

? correct

? am

Basuto frontier to the Limpopo opposite Tuli. Facing them were 5,200 regulars without artillery, whose sole hope was to hold Kimberley, Mafeking, the Orange River bridge and the railway junctions south of the river, till Sir Redvers Buller should advance with his army corps.

In 1899 there were about 31,000 Transvaalers and 22,000 Free Staters liable to service. They were joined by some 2,500 volunteers of all nationalities and later on by about 10,000 Cape and Natal sympathizers. From first to last Britain put about 300,000 men into the field, including colonial contingents from Canada and Australia, and the Boers about 66,000; but after the occupation of Johannesburg and Pretoria a very large proportion of the British forces were employed in guarding the long lines of communication.

300,000 UK  
NB

In the first few weeks of the war the Boer commandos invading Natal and the Cape Colony had invested Ladysmith, Kimberley and Mafeking, and had occupied Colesberg and several border districts of the colony. When Buller landed with his expeditionary force he marched with the main body to the relief of Ladysmith, despatching Lord Methuen and Sir William Gatacre to deal with the invasion of Cape Colony. In 'the black week' of December (December 9th-15th) Methuen was defeated at Magersfontein, Gatacre at Stormberg and Buller at Colenso. Thereupon Lord Roberts and Lord Kitchener were despatched with large reinforcements to take over the command, and were able to turn the tide in February, 1900.

British defeat

TL

To return to the question of unpreparedness, which was about the only question on which the Liberal Party was united against the Government during the war. In June, 1899, the intelligence department of the War Office issued a volume entitled *Military Notes on the Dutch Republics of South Africa* for the use of officers. It gave accurate estimates of the Boer forces, with details of the Boer artillery and rifles. It pointed out that the Boers were an army of mounted infantry and described their methods of attack and defence. It stated that in case of war the Free State would 'undoubtedly throw in her lot with the sister Republic'. It also gave a warning about the danger of enteric fever. Moreover the War Office had been fully informed by Sir William Butler, their Commander-in-Chief in South Africa, a soldier of skill and experience, of the fighting qualities of the Boers and of the preparations they had been making since the Jameson Raid for defending their independence. Butler, however, disapproved of Milner's policy, and was recalled home because the Colonial Office and the War Office preferred to listen to Rhodes, who told them that the young Boers could not shoot, that Kruger was bluffing, and that even if it came to war the trouble would be over in a few weeks. On this assumption the first estimate of its cost presented to the House of Commons was £10,000,000; and this in the opinion of Sir Michael Hicks-Beach, the Chancellor of the Exchequer, could well be paid by the Transvaal gold-mines, whose cosmopolitan owners had pressed for war and had the satisfaction at the moment of its outbreak of

War office knew  
The score



three Republics that they must surrender unconditionally, and that in any case they must lose their independence. This united the Boers, and they determined to go on fighting. The British army at Bloemfontein was in difficulties, and its communications were threatened. A brilliant leader, De Wet of the Free State, made himself famous by a victory at Sanna's Post. But after two months of delay Lord Roberts marched on to Johannesburg and occupied Pretoria on June 5th. After more losses and defeats President Kruger retreated down the line to Delagoa Bay and sailed off in a Dutch warship to Marseilles.<sup>2</sup>

After the occupation of Bloemfontein Roberts had issued a proclamation annexing the Free State, and after the occupation of Pretoria he issued another annexing the Transvaal. But these were only paper annexations, and the occupation of Pretoria involved the British army in further difficulties. It was now 'in the heart of a hostile country, dependent for its very existence on thousands of miles of railway open to the attacks of an active foe'.

The Boer commandos, mounted men, knowing the country, skilful shots, experts in taking cover, constantly attacked British communications and captured isolated posts. A long and successful guerrilla warfare had begun. Worried and harassed, Roberts had to think of the country behind him. He had staked all on ending the war at Pretoria, and now found that he could not effectively occupy the territories he had annexed. When he took a town, he forced the burghers to take an oath of neutrality, and left them unprotected. Then a Boer commando would turn up and force them to join in fighting against the invaders. All this was very disappointing to the loyalists and Imperialists, who began to cry out for the strong measures which Campbell-Bannerman denounced as 'methods of barbarism'. The journalists at Cape Town and in London, who had inflamed passion before the war, insisted that the right way to end the war was to act with merciless severity; and so, 'bewildered and embarrassed', Lord Roberts, to please the Government at home and to placate the newspapers, began to wage war by proclamation on the assumption that the peoples of the two republics, which he had annexed, were rebels. On July 1st, 1900, he actually issued a warning from Johannesburg to all Free Staters who should be found in arms after July 14th that they would be liable to be dealt with as rebels and to suffer as such in person and property. This proclamation, besides being contrary to the laws and usages of civilized warfare, proved a complete failure and had to be withdrawn two months later. Then farm-burning began. Whenever an attack was made on our soldiers the farm or farms in the neighbourhood were burnt and an order was made that when a railway was attacked all farms within ten miles of the outrage should be set on fire. Another order was that the property of any Boer known to be fighting for his country should be confiscated or destroyed. This ruthless policy was ruthlessly carried out. In October, 1900 (the month of Chamberlain's Khaki Election), 189 farms were burnt; and in November,

<sup>2</sup> This was in August, 1900.

Early 1901

Boer War

though the war had been declared over, 226 farms were burnt, often merely because the owners were on commando. These cruel tactics only had the effect of infuriating the Boers, and creating disaffection in Cape Colony, where hundreds of young Dutch farmers joined the commandos.

The methods started by Roberts and systematized by Kitchener were perhaps an inevitable military sequel to the policy of unconditional surrender and the only reply which the military authorities could make to guerrilla warfare. Yet it was a stupid strategy, for as an able critic wrote at the time: 'Nothing makes men more irreconcilable than to see their houses burnt, their private property looted or confiscated and their women turned out, homeless and defenceless.'

It was some time before the British public became aware of the real state of things. At the Khaki Election in October, 1900, Ministers and their newspapers assured the people at home that the war was practically over; and Lord Roberts, sick and weary of the whole business, returned home, leaving Lord Kitchener in command.

This brings us to the last act of the tragedy — the third and longest stage of the war, with Kitchener as Commander-in-Chief. It dragged on from December, 1900, to the Peace of Vereeniging in May, 1902. Kitchener was a sensible man. He wanted to bring the war to an end by granting reasonable terms to the Boers, and began by offering an amnesty to all who would undertake to surrender. For this purpose it was necessary to offer real protection to those who surrendered voluntarily and he set up a new system of refugee-camps for them and also for the Boer women and children. These were started at various points along the lines of communication. Unhappily, the Government at home instigated by Milner refused to abandon their policy of unconditional surrender for a policy of surrender on reasonable and honourable terms. Consequently this new strategy of concentration camps failed, and at first the camps hastily formed were terribly unhealthy. When it became known in England that disease and mortality were rife in the camps Miss Emily Hobhouse and others went out to see for themselves. Meanwhile the war had spread to Cape Colony. The Schreiner Government had fallen in June, 1900, over the question of the treatment of Cape rebels. The Sprigg Ministry which succeeded did Milner's bidding. The Cape Parliament was prorogued. Already in February, 1901, the military situation was so bad that the British Government called for more volunteers, and promised Kitchener 30,000 mounted troops. At the same time, however, the Commander-in-Chief was allowed to drop the demand for unconditional surrender, and at the end of February he met General Botha to discuss terms. Kitchener's proposals were comparatively generous; but when he transmitted them home they were modified and hardened by Chamberlain to such an extent, as Sir Algeron Methuen put it, 'that they held out to the Boers no hope of anything but despotic rule for an indefinite num-

<sup>3</sup> See Hansard, October 18th, 1899.

June 1900 Schreiner Gov fell

gash chance of peace thrown away by  
 AMG intransigence

lost 2  $\frac{3}{4}$  yrs

aw  
 Kitchener  
 Plans  
 on

Emily  
 Hobhouse

Handwritten bracket and scribbles on the left margin, connecting the Emily Hobhouse note to the text.

Handwritten mark resembling '72' on the right margin.

ber of years'. Thereupon General Botha terminated the negotiations, and the hopes of peace, which seemed near realization in the early weeks of 1901, were shattered. From this time onwards guerilla warfare continued. The British public were becoming weary of the war, but by degrees the Boer resistance was being worn down through sheer weight of men and money. At last, in the early spring of 1902, Kitchener was authorized to offer tolerable terms to the Boer generals, and the senseless policy which had prolonged the war — had indeed more than doubled its length — ended in the peace of Vereeniging. The policy of extorting unconditional submission, was abandoned. With the political tide turning in England, the Boers might well hope that the Chamberlain-Milner administration would not last very much longer, and that the Balfour Government would be displaced, not by a Liberal Imperialist administration under Lord Rosebery, but by a genuine Liberal Government under Sir Henry Campbell-Bannerman, pledged to establish a system of self-government which would be acceptable to the whole of British and Dutch South Africa.

? Maps of Africa

The family?  
Reaction to  
Outbreak  
of War

After the war broke out Percy Molteno and his two politician brothers, Charlie and James, as well as his sisters, Elizabeth and Caroline, were lost in indignation and distress of mind bordering on despair. All their dreams of happiness and prosperity, all their castles in the air, had vanished away. Their feelings were shared from the first by many stout-hearted political friends and Liberal statesmen, among whom John Morley perhaps stood highest in Percy's estimation. On November 17th, 1899, Percy wrote to Caroline thanking her for a letter of October 25th, with an enclosure to John Morley which he had forwarded.

He asked me to call, and we talked for nearly two hours. He said your letter was a most interesting one. He is entirely with us on the horror and disgrace of the war and the way in which England's honour has been sullied.

Percy had also had a talk with Sir William Butler. He told his sister that she must not lose heart. They must work for better times. He had put a letter from Charlie to good use in the *Westminster Gazette*.

In South Africa, once the die was cast and the Boers had proved a formidable foe, many of Schreiner's supporters who had disapproved of the Chamberlain policy despaired of a negotiated peace and placed all their hopes on a speedy and conclusive victory to be followed by a magnanimous settlement. For a time the policy that had led to the war ceased to interest them. This was the view of Maria whose husband, Thomas Anderson, had backed Milner's policy. It was also the view of Percy's younger brothers, Frank and Wallace, who had little taste for politics. On the other hand Charlie and James, while supporting the Ministry in which Merriman and Sauer retained office, felt (as Percy did) that the Premier,

Tom Anderson  
Britain

Frank & Wallace

re for

W. P. Schreiner, had been too compliant towards Milner during the negotiations with Kruger.

The time for peace diplomacy is before, not after, the outbreak of war. Prevention is much easier than conciliation. Cobden and Bright saw that when Aberdeen's Ministry was drifting into the Crimean War, and they pointed the moral when that costly blunder came to its inglorious end. But it is the rule rather than the exception of wars that their professed aims are seldom attained by either side, and that even the victors afterwards wish they had been content with what could have been obtained by peaceful negotiations before the bloodshed and waste began. Of this truth the Boer War supplies a striking illustration. Once it had broken out 'no peace without victory' and very soon 'no peace without unconditional surrender' became the cry of both British Imperialists and Cape loyalists; and for a long time protests and pleas for a conciliatory peace were unavailing. Yet Moltano's papers and correspondence with his friends and relatives and with active politicians at home and in South Africa are of abounding interest at all stages of the war.

The  
Cry

On October 27th, 1899, Percy wrote to J. W. Sauer, a colleague of Schreiner's in the Cape Ministry:

Percy?  
Goals  
once  
war  
broke  
out

Yours of October 4th duly to hand. I have read what you say with interest; it is all too true, and I have seen it all. Now we can only reserve ourselves for the work of bringing home the responsibility to those who have brought about the dire calamity and for helping to put together the broken pieces after the storm is over. Several Cabinet Ministers said before the war that it was impossible to go against your Cabinet's advice; but Chamberlain has played the Demagogue and has worked the Press in a way in which it has never been worked before, and so he got the country up to the war pitch.

He still, however, cultivated hopes — faint they must have been — that Chamberlain might be brought to book for his complicity in the Raid. 'Stead is revealing all he knows, and now he has a third pamphlet coming out which will be a pretty plain proof of Chamberlain's intrigue with the Raid party.' W. T. Stead, it may be recalled, had been one of the Rhodes' Trustees, and greatly to his credit had resigned that position after the Raid. But Stead's anti-war meetings were ill-timed, and his pamphlets failed to *prove* Chamberlain's complicity in the Raid, though Percy never ceased to believe that he was cognisant of it and that his subsequent whitewashing of Rhodes was due to the possession by Rhodes' solicitor, B. F. Hawkesley, of incriminating telegrams and documents.

Meanwhile [so Moltano went on] we do what little we can here. I have an article in the next *Contemporary Review* (for November) showing how your Cape advice has been disregarded. I have also compiled a pamphlet, copy enclosed; and I got Selous to publish his letter, which appeared in *The Times* of October 24th, and has caused a sensation.

TL

positions  
by divided

Percy friends with Selous  
at least as early as 1899

Sauer had asked Percy for some financial assistance by way of loan to relieve him of temporary difficulties brought on him by the outbreak of war, and Percy immediately responded by placing to Sauer's credit the sum of £1,000 for a year. At the same time he subscribed £100 to a Fund for relieving the sufferings of wounded Boers and Boer widows and orphans.

Percy's  
generosity

Early in November, 1899, James, though he was personally popular in Cape Town society, encountered a storm of abuse and obloquy through the publication in the *Daily Chronicle* of an interview with Milner, which created an immense sensation. He gave a full account of the incident in a book entitled *The Dominion of Afrikanerdom* which was published by Methuen in 1923 after it had been carefully read and approved by Percy. The full title of the book is:

James' pub  
interview  
Milner

*The Dominion of Afrikanerdom. Recollections Pleasant and Otherwise. By the Hon. Sir James Tennant Molteno, B.A., LL.B., K.C. Late Speaker of the Parliament of the Cape of Good Hope and first Speaker of the Parliament of the Union of South Africa.*

I will tell the story, with some abbreviations, in his own words:

What happened

All through September, 1899, our party met daily in the morning to discuss the policy of Milner and Chamberlain and the critical state of affairs in South Africa. We, the South African Party and Bond Members, constituted the majority in both Houses. We were the legitimate and constitutional Government of the largest Colony in South Africa. Towards the end of September, seeing the desperate plight of this political situation, we determined to approach the British Government and Her Majesty the Queen. A sub-committee, consisting of Meiring Beck, Member for Worcester, Charles Searle, Member for George, and myself as Chairman, drafted a loyal petition to the Queen, stating our firm conviction that recourse to measures of interference by force or compulsion against the Transvaal Republic for the removal of the grievances set forth in a petition signed by British subjects in the Transvaal 'would be most disastrous to the true welfare and the best interests of Your Majesty's South African Dominions of which this Colony forms no inconsiderable part'. Should such measures be in contemplation our Petition begged Her Majesty to exercise a spirit of magnanimity and to appoint a joint commission to enquire into the effect of the new Franchise Act recently passed by the Legislature of the Transvaal. President Kruger's Government had accepted the proposal for a joint commission and the petitioners felt sure that its appointment would promote mutual conciliation and goodwill in South Africa and tend to the true advancement of Her Majesty's South African Dominions.

(James' etc)

This loyal petition was signed by Schreiner, the Prime Minister, Merriman, Sauer and fifty-six other ministers and members of the Legislative Council and Assembly of Cape Colony. James Molteno, accompanied by Beck and Searle, took the petition on Wednesday, September 27th, to Milner at Government House and requested that it should be cabled to England. He read the petition, and

then turning abruptly to James said: 'I cannot cable this to England.' James said: 'Why not?' Milner replied: 'Because the cables are congested.' After some discussion, however, the Governor agreed to cable the petition and to send them the reply of the British Government.

On Wednesday morning, October 4th, there was a party meeting. A strong desire was expressed that the petition to the Queen should be published, and James was asked what reply had been received. Thereupon James went to Government House. Milner told him that the reply had been received, and was unfavourable, as the British Government considered that the time had quite gone by to appoint a commission. Why was it too late? asked James, seeing that the Transvaal had accepted the commission. Yes, was the reply, but the British Government could not now revert to the position of August 2nd. A long conversation ensued, James pleading for patience and pointing out the horrors of a war between English and Dutch in South Africa and the strain which such a war would put on the loyalty of the Cape Dutch. At the end Milner rose and said: 'Well, Mr. Molteno, it is no use; I am determined to break the Dominion of Afrikanerdom.' It was an unforgettable phrase. Thereupon I left feeling utterly hopeless.' After the interview James, who had a wonderfully accurate memory, wrote down an account of it.

At that time he was corresponding weekly with his brother, Percy, in London, and sent him a typed copy of the memorandum of his interview with Milner

explaining to him that I was too busy to write; but the enclosure would speak for itself and show how hopeless in my opinion were affairs in South Africa. I never gave him permission to publish the memo, and I was surprised when two months later I found it in the papers.

James never blamed his brother for sending it to the Daily Chronicle.

What happened was this. On receiving the memorandum Percy showed it privately to friends in London, who at once urged upon him the duty of making it public as soon as possible. The censorship prevented him from communicating with James by cable. He decided therefore to submit the question of publication to Sir Edward Clarke, the great Conservative lawyer, who had opposed Chamberlain's policy and had inflicted severe chastisement on the Colonial Secretary in a famous debate in the House of Commons.<sup>3</sup> Clarke without hesitation gave his opinion that it was fit and proper to publish the memorandum. Thereupon Percy sent it with a covering letter to the Editor of the Daily Chronicle, H. W. Massingham, who published it on November 3rd. It caused a tremendous sensation. On the following day Chamberlain transmitted extracts from the Daily Chronicle with Percy's letter and the notes of an interview 'between yourself and Mr. James Molteno' to Sir Alfred Milner, asking whether the notes were correct. The Daily Chronicle's publication had

<sup>3</sup> See Hansard, October 18th, 1893.

with  
Percy  
sent  
letter  
to  
the  
papers

TL

been reproduced in the press of Cape Town, and Milner had sent through his secretary a letter to the *Cape Times* stating:

Milner  
denies

As far as His Excellency's remarks are concerned, the report in question is so imperfect and inaccurate as to be absolutely misleading. Not only are expressions attributed to him which he never used, but the whole tenor of his observations is entirely distorted.

saying what James alleged

A ferocious leader in the *Cape Times* denounced James Molteno for publishing what was described as a private interview. Whereupon James replied that he adhered to the memorandum in every particular. It was written down

at a time when the matter had burnt itself into my mind, and when I was face to face with the terrible fact, for the first time brought home to me, that war was imminent despite what our party and the Republics had done and were prepared to do. Further than this I do not at the present time desire to refer to my memorandum or to His Excellency's qualified denial.

In his reply to Chamberlain, which was printed in a Blue Book, Milner declared that the remarks he had made to Molteno were made 'in a conversation of a confidential character'. He gave at length his own version of the interview, from which Chamberlain omitted some sentences which have never been printed. Milner absolutely denied having used the expression 'I am determined to break the dominion of Afrikanerdom'; but Molteno was quite certain that this was the expression which ended the interview. He could not possibly have invented such a word as 'Afrikanerdom'. 'Afrikanerdom,' he wrote, 'was a new word which I had never heard before,' and

it was uttered by the leader of the jingo imperialistic party when the fruit of his policy was ripe, as a challenge to our party, the Free State, and the Transvaal. We were on the brink of war and Milner was triumphant.

But, as James goes on to point out, Milner's war did not go according to programme. Wars seldom do. Instead of lasting three or four months, it lasted more than two-and-a-half years, and even then Milner's policy of unconditional surrender had to be abandoned. As to the results, the hopes and anticipations of Milner's loyalists and the Johannesburg capitalists were utterly disappointed.

Political  
Result of Boer  
- Afrikaner  
ruling 3/4

To Milner's consternation and to Campbell-Bannerman's joy [wrote James], five years after the peace of Vereeniging we found the hated Afrikaner party ruling the Cape Colony, ruling the Free State, and ruling the Transvaal; and out of that Afrikaner rule came the great Union of South Africa.

In July, 1909, in the House of Lords the Act of Union with South Africa was being passed. Campbell-Bannerman's policy had been bitterly opposed by Balfour in the Commons and Milner in the Lords. James Molteno listened to the debate, and never took his eyes off 'that pale face upon the cross benches'; the face of the defeated

TZ

pro-consul, Milner, who had followed in the steps of Bartle Frere.

We may now turn from James Moltano's narrative to Percy's action in publishing the memorandum. Percy was ~~one of the few politicians I have known who despised~~ 'the gentle art of self-advertisement', and never courted that notoriety which small men mistake for fame. He was probably more surprised than pleased when, in the ~~third week of November, 1899, he found his name and that of his brother in the headlines of the Press both in~~ England and at the Cape. The loyalist newspapers in their notes and leading articles denounced his brother James for writing a misleading account of his interview with Milner, Percy for having published it without Milner's permission, and the *Daily Chronicle* for serving as the vehicle of a slander on the High Commissioner.

Many pages about the interview from English and South African newspapers and reviews were pasted into Percy's Press-cutting Book. I have examined them with interest. F. Edmund Garrett, Editor of the *Cape Times* and a member of the Cape Parliament, rushed to Milner's defence and tried to make fun of James Moltano as a sort of Ashmead-Bartlett, Dr. Tanner, and Swift Macneill rolled into one. James, he said, was generally liked and was good-humouredly known as 'The Baby.' He should not be taken seriously, as Percy had done, by sending his 'stuff' round to all the papers. Garrett referred slightly to Percy's book on the Federation of South Africa; and went out of his way to say that Sir John Moltano was a much over-rated statesman who had been rightly dismissed by Sir Bartle Frere. Garrett also made much of the fact that Mr. Schreiner and a Bond Ministry were now 'co-operating loyally with Sir Alfred Milner'. This seemed to him a wonderful testimony to Milner's character and gifts. In the columns of the *Spectator*, which joined in the attempt to discredit his brother, Percy replied that James had been selected as the spokesman of the majority of the Members of the Cape Legislature to convey to Sir Alfred Milner, and to receive from him, communications on the subject of the Petition presented to the Queen. It was a most critical time; the Petition had been presented to Milner on September 27th, no answer had been received on October 4th. On that day, representing the signatories, James went to see Milner and at once reported on the interview to his colleagues. Under such circumstances 'he could not have, and did not have, any private or confidential interview' with the High Commissioner. 'In order to be very exact, seeing the importance of the occasion, he made a note of a minute character of all that transpired; and it is this very exact and careful note which was published.' The absurdity of calling the interview private and confidential was shown by the fact that Milner knew it was to be conveyed at once to fifty-eight Members of the Cape Legislature. Sir Edward Clarke had not only advised the publication, but afterwards wrote a further letter commending it, which Percy quoted with his permission.

It seems to me that *Truth* on November 30th, 1899, put the matter in a nutshell:

Was  
Party  
members?

Percy  
as  
Headline

The question between Sir Alfred and Mr. Molteno is one of memory. The former has to trust to his personal recollections as to what took place above two months ago. Mr. Molteno wrote his version of the interview at once.

It may be added that most of the Moltenos were noted for the strength and accuracy of their memories; but James excelled them all. He seldom required to look up any paper or debate in the Official Records when he was Speaker, and on this occasion there was every reason why he should set down with faithful accuracy what had occurred. Even if he had suffered from a defective memory it is impossible to suppose that he could have invented the expression 'I am determined to break the Dominion of Afrikanderdom'.

James' superb memory

There are some who think that Alfred Milner's character rapidly changed in the Rhodesian atmosphere, and that he was originally a mild Liberal and a man of peace. I believe this theory to be erroneous and to have arisen partly from the fact that he was a friend of Arnold Toynbee and partly because he once stood as a Liberal candidate for the Harrow division. I may record two pieces of evidence. The late Sydney Ball told me that Milner, in the Union debates at Oxford, was a strong Imperialist; he well remembered Milner perorating a speech with the rhetorical question: 'What is the use of having a sword if you always keep it in the scabbard?'

Again, John Morley, who had Milner for a time on the staff of the Pall Mall Gazette, was so much impressed by this feature of Milner's character that he refused to attend the dinner given to Milner (March 28th, 1897) in London on his appointment as High Commissioner, fearing that he would prove another Bartle Frere. On that occasion Mr. Asquith, who was in the Chair and was one of Milner's Balliol friends said that Milner took out with him 'if the need should arise, a power of resolution as tenacious and inflexible as belongs to any man of our acquaintance'<sup>4</sup>

Sir Edward  
- Tony - and

Sir Edward Clarke's scourage in opposing the war at its outset and his deadly exposure of Chamberlain's diplomacy, which has already been cited, had won the esteem of Percy Molteno; nor was this diminished by Clarke's contribution to the discussion of a Day of Humiliation when it was suggested at the Church Congress after Black Week. Sir Edward was a pillar of the Anglican Church, and was accustomed to take a prominent part at its Congresses. But his appeal for tolerance had not been well received, and his letter at the end of the year (1899) proved that he was no more ready to accept episcopal opinion on the morality of the war than that of Chamberlain on its policy. He feared, as he put it, the kind of use to which 'those who minister in Christ's Church' would turn a Day of Humiliation.

A Day so set apart would be kept as a holiday, and the pulpits would be used, as they are being used every

<sup>4</sup> W. T. Stead wrote in the *Review of Reviews* that 'Milner was the best man for the post', adding: 'German is his mother-tongue, and he has that cosmopolitan breadth of view which enables him to defend in advance the cause of British Imperialism much more effectly than a mere John Bull bred and born.'

(1)

Sunday, to inflame the pride and passion of our people, and to dull and sear their consciences. So far as any Christian spirit is left in the Church, it can find expression in the prayer of the Liturgy better than in occasional prayers in which much less of that spirit is to be found:

Lloyd George Role

Percy duly noted this letter and also a speech on the same day by Mr. Lloyd George, who made a great reputation among anti-imperialist Liberals by boldly defying Chamberlain both in Parliament and on the platform. Speaking at Flint he declared that the war had resulted from 'most wicked and blundering diplomacy'. It has already cost us 8,000 soldiers killed, wounded and missing, and the loss in money was £8 millions a month. Every time a lyddite shot was fired it cost what would pension two men for a whole year. Mr. Winston Churchill who had just escaped under peculiar circumstances from a Boer prison, had informed the *Morning Post* that he would 'avail himself of every opportunity from this moment to urge with earnestness an unflinching and uncompromising prosecution of the war'. He had added (quite correctly as it turned out) that we should need 250,000 men to bring the war to a successful issue. What, retorted Mr. Lloyd George, was a successful issue? What were we fighting for? President Kruger had offered a five years' franchise and arbitration. Our Government had posed as champions of arbitration at the Hague, but when confronted with what it thought a weak nation it refused to arbitrate.

Churchill pro War

Peace mtgs broken up

Though the tide of war turned rapidly after January, 1900, when Lord Roberts and Kitchener arrived with a large army, the fighting instincts of the British people had been roused and for a long time peace meetings were apt to be interrupted. Nevertheless, the South African Conciliation Committee continued to work for a compromise which would leave the two Republics disarmed but autonomous; and in January Percy and his friend, Frederic Mackarness were seeking precedents from the War of American Independence for a policy of appeasement and compromise. Mackarness referred Percy to North's Conciliatory Bills in Hansard, February 17th, 1778.

Clarke pro War

Betty Caroline

Of Percy's sisters, Betty Port Elizabeth and Caroline at Kenilworth, felt just as Percy did, and co-operated with him and all their Dutch and English friends who were of like mind all through the war. They were ardent supporters of conciliation and of all efforts to relieve the distresses caused by the war in the Cape Colony and (after the annexation of the two Republics) in the devastated districts and concentration camps. Caroline, more cool headed and practical than Betty, gave invaluable assistance to Miss Emily Hobhouse and others in their efforts to improve the conditions of the camps and afterwards to provide succour and work for the homeless destitute women and children. His other sister, Maria Anderson, and some of the Bissetts and Blenkinses were at first less hostile to the Milner-Chamberlain policy, and gave vent to their feelings after the war broke out, arguing that the early successes of the Boers proved that Kruger had a deep design for driving the English out of South Africa and creating a Dutch Republican South

Other parts of the family not anti War

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Africa under the patronage, no doubt, of the Kaiser. In November Mary Blenkins wrote from Cradock, that hundreds of the Dutch in Cape Colony were joining the Boers. 'Every day,' she wrote, 'makes it clear that it is not for Transvaal Independence but to get British rule out of Africa that they are fighting.' She added: 'We may have the Boers here. We have no defence. I am not a bit frightened, but certainly I shall be furious if William is marched about town between two Boers, and our house is "looted".' About the same time Betty wrote from her Collegiate School for Girls, Port Elizabeth (November 18th), in another strain:

Betty's View

It seems like a play on the stage. One cannot realise that men are shooting and killing one another. Last night there was a rumour that Rhodes was a prisoner, but this morning's paper has no mention of Kimberley. I know that you will try to save yourself whenever you rightly can. There may be much helpful work to be done in reconciling the contending parties as time goes on. I am thankful that *The Speaker* is in new hands, and is steadily advocating reconciliation. You will be seeing by cables how serious things are here. Nothing has cut me more than Salisbury's speech. It reads like the fall of an angel of light, or his transformation into Mephistopheles. It is cynicism incarnate. Chamberlain I have also read, but did not expect anything better. How fine Sir Edward Clarke was, also Courtney; and Earl Kimberley spoke well.

Maria wrote from Kalk Bay to her brother:

Maria's View

Many thanks for the pamphlets and the *Daily Citizen*. I am not sure that you have done quite well to publish those notes of James. I tell you Percy honestly that I feel very very angry with James. . . . I was discussing the matter with Mrs. Merriman this afternoon, and said that I did not think it was wise. She said she did not see it; for he was there in a public not a private capacity; but she thought the Governor would send for James to have some explanation over it. . . . I had a long talk with the Chief Justice (Sir Henry Villiers) this afternoon, trying to stir him up to take a prominent part in the settlement after all is over. Of course until the Free State and Transvaal are conquered, nothing can be done. But I am sure England will be only too glad of the advice of such a man as the Chief Justice, when that is done. I found him very low, however, with many reasons against taking an active part in public matters. As far as I can see he is the only man we have for the present situation. He acknowledged to me that he had made a mistake in not accepting the Premiership when we were all so anxious he should do so. . . .

Critical of James

A little later, December 12th, Maria wrote again, thanking Percy for sending her letters in opposition to the war from his friend, F. C. Selous, the famous hunter and explorer. They were excellent, she said. 'Just what we all think.' But they were too late to do good. 'Now one feels we ought to be united in trying to get the war finished as quickly as possible.' When it was over there could be no further independence for the two republics, but Maria liked the idea of a Dominion of South Africa.

Selous

Maria's

'Politics out here' had become very small and mean. Nothing that was high or noble had a chance of living.

I have very slowly come to the conclusion that it was not only the influx of the capitalists but that the Bond influence had much to do with it. Here we are very poor in men of real power and ability to help us.

Meanwhile much precious life was being wasted. 'We are terribly anxious over the battle now proceeding near Kimberley. General Gatacre has evidently made a great mistake, or been betrayed.' There was also anxiety about Lord Methuen. All they knew was that he had been fighting for two days with great loss on both sides. 'Miss Bingle has sent me some of the French newspapers. They do make one feel indignant!'

Miss Bingle  
Lans-  
in touch  
with family

One of the Bissets wrote from Kenilworth to Percy early in December an affectionate letter of mild rebuke for the part he had taken in favour of the Republics.

I think you have been largely misled as to the true position of affairs, and no doubt by this time the course of events will have shown you that Sir Alfred Milner's presence and foresight have been a godsend to British South Africa.

Bisset  
posit

One can imagine the mark of exclamation which Percy would have added to this truly ingenuous sentence. Later on, oblivious of his inconsistency, Bisset remarked that 'the military authorities seem to have utterly failed to grasp the seriousness of the situation and to be very deficient in knowledge of the capabilities of our enemy'. Bisset no doubt was unaware that Sir William Butler<sup>5</sup> had warned both Milner and the Home Government and that his warnings had been disregarded.

After the early successes of the Boers, partly to explain British reverses, partly to justify Chamberlain and Milner, the Imperialist Press had worked up the theory of a Dutch conspiracy to eject Britain from South Africa and create a Republican dominion of Afrikanderdom. This theory was supposed to have been established by the fact that after the Raid President Kruger began to import arms and build forts. At the beginning of January Morley, having to speak in the Montrose Burghs, consulted Moltano, who pointed out that the Transvaal forts were built after the Raid not on the frontier but in the centre of the country, obviously not with any aggressive purpose but to protect Pretoria from another and more formidable invasion. On January 26th he sent his brother

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Sir William Butler  
sacked

<sup>5</sup> Chief Commanding Officer at the Cape until June, 1899, when his excellent but unpalatable advice led to his removal.

position

Charlie *The Times* report of Morley's speech, in which several of the points made had been supplied by Percy.

Thus far Buller's efforts to relieve Ladysmith had failed and he had suffered a defeat at Spion Kop. Lord Rosebery seized this strange opportunity to deliver a flamboyant speech in which he declared:

I say that if, with all our reverses, we had purchased only the fact that our Empire is a united Empire and therefore henceforth a supreme factor in the balance of the world, we should have made a profitable transaction out of the war.

Moltano's comment is worth recording:

One would suppose that we had had no Jubilee in 1897, the keynote of which was the accomplished unity of the Empire! If Englishmen are satisfied with such a travesty of the real situation, they are no longer the solid, hard-headed, businesslike people they once were.

In this letter he remarked on the attitude of the Imperialist Press, which seeing that the public wanted a scapegoat, was trying to screen Chamberlain by attacking Balfour, Lansdowne and Hicks-Beach. The crime of Hicks-Beach, then Chancellor of the Exchequer, was 'his hint that the mines may have to bear the cost of the war' — a statement which served as 'his death warrant with the capitalist Press'.

On February 2nd Percy told his brother James 'confidentially' that he had seen Sir Henry Campbell-Bannerman about the dominion of Afrikanderdom. 'Although he must officially accept the denial he fully believes that Sir A. Milner did use the words.' During this interview with C-B. he pressed for the recall of Milner. 'I laid before him the disastrous position of affairs and the mischief of Milner's presence. I said, if the Dutch had a Governor on whom they could rely for fair-play, the feeling would be very different.' C-B. said he fully agreed, but it was very difficult to make a successful attack for Milner's recall. The weakness of Schreiner's Ministry was a severe handicap on Liberal criticism, and from this time onwards Percy was constantly writing to his brothers and to Merriman, urging that the Cape Ministry and their supporters should stand up for their constitutional rights against the Governor and Downing Street.

Cape  
Ministry and  
Schreiner's  
mid 1900 w

THE SECOND STAGE OF THE WAR—  
VICTORIES OF LORD ROBERTS—  
THE KHAKI ELECTION

FROM the introductory paragraphs of my previous chapter readers of this biography are aware that in February, 1900, after the arrival of Roberts and Kitchener with a large army, the tide turned; rapid and sensational victories were achieved on all fronts; Ladysmith, Kimberley and Mafeking were relieved; Bloemfontein, Pretoria and Johannesburg were occupied in succession; the two Republics were annexed; the ending of the war was announced, and the political fruits of victory were gathered in by Chamberlain at the Khaki Election in October. Roberts returned home, leaving Kitchener to wind up the affair.

Then, unhappily, the worst and longest period of hostilities, the period of guerilla warfare, began, because Milner and the home government insisted on humiliating terms—an unconditional surrender—which the Boer leaders refused to accept. But for the early victories of the Boers the war might have been ended by a speedy and reasonable settlement. The calamities, devastations, the financial losses and above all the bitterness aroused by farm burnings and concentration camps would not have occurred.

The British public, primed by the Rhodesian Press, had anticipated an easy and speedy victory at a cost of only a few millions which would be defrayed by the Rand mine-owners and millionaires of Park Lane. Had these expectations been realized John Bull would have been ready to shake hands with the vanquished; for after shaking his fist at all and sundry who dare to dispute his Imperial power he almost invariably relapses into a mood of magnanimity and mercy. Once his pride is satisfied, once his arms have triumphed, once he has overthrown those who had the presumption to challenge his suzerainty, he resorts to the first clause of the famous precept in which Virgil sums up the Roman policy:

‘Parcere subjectis et debellare superbos.’

But the confidence reposed in Buller, Rhodes, Milner, the War Office and Lord Salisbury’s Administration proved misplaced. The Boers had not forgotten how to shoot; adepts in colonial warfare, they combined caution with courage, and for a time, as we have seen, were successful. John Bull was enraged at this uncalled-for resistance, and the press lashed him into a fury by false tales of atrocities and by language about a brave enemy which now seems incredible.

In his *Peace or War in South Africa*, Sir Algernon Methuen collected some choice specimens from the columns of the leading London newspapers. In them at various times the Boers were described as ‘cowardly, cunning, cruel, greedy, mean, foxy, brutal, treacherous, savage, and unwashed’. They were ruffians, mobs of desperados, brigands, clodhoppers, pig-dealers—a delicate allusion to de Wet, a farmer who bred pigs—and

other choice appellations. They were also frequently accused in the newspapers of ill-treating their prisoners and abusing the White Flag. No wonder that the British public, inflamed by the lies of the sensational press, incensed by the abuse of the foreign press, and irritated by military failures, was deaf to pleas for chivalry and unable at first to appreciate either the gallantry of the Boers or the feelings which inspired most of our officers and men. Consequently, when Charlie wrote to him early in the war about raising charitable funds for the widows and orphans of the Boers, Percy replied that though Sir Donald Currie and others were making private contributions any public action here at present is out of the question owing to the reverses sustained and the critical condition of Ladysmith?

In spite of the tension Percy had decided to publish his *Life of Sir John Charles Molteno*, which had been ready for several months. After the relief of Ladysmith and the turn of the tide on the arrival of Roberts and Kitchener he hoped that his book would serve to edify and instruct many readers and even exert an influence on British policy. I remember Sir George Trevelyan telling me that he had taken a precisely opposite decision. The early part of his *History of the War of American Independence* was ready for publication; but he withheld it until the war was over because at every turn the struggle with our American Colonies provided so many parallels to the Boer War that he felt the public would treat his book not as true, impartial history but as a magnified pro-Boer pamphlet.

Percy sent an early copy to his friend (Sir) Richard Solomon, who replied:

January 18th (1900).

I have finished reading the two vols. of your father's life which you kindly gave me. They have interested me very much indeed and I can honestly say that they have not only given me much pleasure but, I am quite sure, much profit.

We are of course very anxious for news, and I am constantly wondering what we shall hear on our arrival in Cape Town. I trust the news may be good, that the invaders into the Cape Colony have been driven back, de Wet captured and the war practically over. I am afraid all this is too good to hope for. I hate thinking of it all. I asked my wife to write and tell you *confidentially* that I had accepted the appointment of A. G. for the Transvaal. I meant to have told you on the Saturday I saw you at Waterloo, but thought you were going down with Maclean as I saw you getting into his compartment.

I take the view that we must all try and put things straight in South Africa, and I think I can do some good by helping in the administration of the new government in the Transvaal. Mackarness firmly believes I shall never get there, and that my duties will never have a beginning! I am, dear Molteno,

Yours sincerely, *Ed.*

*Ed.* - Richard Solomon.

*Keep  
Pub of Life  
Tom*

In a sense, as this letter indicates, a less propitious moment could not have been chosen for publishing the *Life*. If the war had been ended speedily, as Solomon still fondly thought, Black Week might have been forgotten. But as it happened the war dragged on, and in 1900 only a minority even of the intelligent reading class could appreciate a criticism of prancing Proconsuls and British Imperialism in South Africa in the life of a Colonial statesman who kept on good terms with the Dutch as well as with the English, and stood sturdily for colonial self-government against Downing Street interference. The parallel between Milner and Bartle Frere was too obvious to admit of friendly reviews in Conservative and Imperialist newspapers. Yet those of the *Cape Times* and the *London Standard* contained a fair recognition of the historical value of the work. From this time onwards Percy devoted most of his spare time to opposing the war policy of Chamberlain and Milner, which now included annexation and unconditional surrender. He was a founder and active member of the South Africa Conciliation Committee, to which he contributed several pamphlets. This body, presided over by Leonard (afterwards Lord) Courtney was spreading accurate information about pre-war diplomacy and the constitutional issue. It was also investigating into the truth of the conduct of the war, and was endeavouring through public and private channels to introduce a more rational spirit and to abate the passions excited in the popular mind by politicians and newspapers. Percy recognized that the people had been misled largely by ignorance and false reports. He spent his own money freely and helped to collect large sums not only for the Conciliation Committee, but for the South African Party and the South African News. Percy was a realist. Always careful to ascertain the facts and under no illusions about popular conditions at home or at the Cape, he had discerned Schreiner's weakness and kept warning his friends in South Africa that the strong body of Liberals who sympathized with their cause were hopelessly handicapped by the subservience of Schreiner's Cabinet to Milner.

At the beginning of the year 1900, in a series of letters to the Westminster Gazette and Manchester Guardian, Percy took up the position that Milner, as High Commissioner and Governor of the Cape, represented not the Foreign Office but the Colonial Office.

That being so he is bound within the limits imposed by his position towards the ministers of the Cape Colony. This [so he wrote to Charlie] has been lost sight of very generally on your side and over here.

In March he reissued these letters in a pamphlet of sixteen pages for the Conciliation Committee, entitled: 'The Action of Sir Alfred Milner as High Commissioner from a Constitutional Point of View'. How courageous was his conduct needs no emphasis. He had to be careful not to be too much in the political limelight; for the Castle Line could not afford to be in controversy with the British Government or to take any part in efforts to bring about peace, though the war was playing havoc with its normal trade.

Another of his main objects at the time was to make widely known the circumstances surrounding the outbreak of the war and the diplomacy of Chamberlain and Milner. He wanted the Cape Parliament to appoint a committee, as it had done in the case of the Raid, to go into these questions and make a report, and if possible also to appoint another committee to report on the High Commissioner's action and his relations with the Colonial Ministers to whom he was responsible as Governor of Cape Colony. Another committee should certainly be appointed to inquire into the censorship and the arrests under martial law.

On March 13th he congratulated his brother on the formation of a Conciliation Committee at the Cape. The Committee in London were collecting material for a history of the War and its antecedents which would 'tend to put the blame on the proper shoulders'. He added: 'You will doubtless have seen J. A. Hobson's book, which is very good, but this country is terribly intolerant at present and won't listen to any adverse opinion.'

He saw clearly the enormous difficulties of the Cape Ministry and of his brothers who were its supporters. They had been brought about

because a man has again landed in Africa who thinks he knows more of its problems and interests than the people on the spot. Really the High Commissioner has acted quite unconstitutionally; for according to former practice, whenever the co-operation of the Cape Ministers, or the financial assistance of the Cape was needed, then he was bound to consult the Cape Ministers.

He refers his brother to a despatch of Lord Rosmead's in which this was laid down.

In his pamphlet he had also given prominence to the efforts of the Cape and Natal Governments to avert war. When the Cape Parliament met, attention should be drawn to all this.

You can claim the authority of Sprigg himself who protested against the High Commissioner negotiating with the Free States without consulting Cape Ministers — see his speech at the banquet to Sir H. Robinson, 27 April 1889. . . . Schreiner seems to me not to realize fully that he is not only a servant of the Crown but the representative of the people. . . . You will see the state of public feeling here from the breaking up of peace meetings and the rejection with scorn of the attempt made by the Republics to open up negotiations, and our Government's refusal to entertain the idea of independence. No other consideration but force seems to have the least weight. Experience, knowledge, reason, justice, fair play are all abandoned. This can't go on for ever, and must lead to a rude awakening someday.

Percy had seen Sir William Butler, who told him that most of the armaments of the Transvaal had been got in between April and June, 1899, and that the British Ministry had been fully informed about it.

At this time, in the middle of March, Herbert Gladstone, the chief Liberal Whip, had been communicating with Percy about a possible candidature for North Bucks,

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a constituency then held by a Liberal, Sir Herbert Leon, with whom he afterwards co-operated on peace questions. Molteno told them both that in his opinion the time was not opportune for any public action owing to the temper of the country.

On March 23rd, in a letter to Charlie, he wrote: 'I do not at all fail to appreciate the enormous difficulties with which your Ministry have to contend through Milner's and Chamberlain's action. But they are not children,' and after Milner's despatch in May, 1899, and Chamberlain's speech in June, it should have been clear to them that there would be war if the game Milner was playing were allowed to go on, and that it would have been

much better to have a political fight, as violent as you like, rather than the actual fighting which has come about. If I, an outsider, could see what Chamberlain's game was, surely they could too. You know how I cabled at the time. They failed to vindicate their constitutional position at a time when people were not yet war-mad, and when the war might have been stopped. However I do not like to blame them; they had enormous difficulties, and this is now past.

'The past who can recall or done undo?'

For the moment he admitted it might be 'the best and only policy to bow before the storm'. As to English statesmen, 'Campbell-Bannerman fully understands the position; but he is paralysed. Being the official leader he must indulge in platitudes to avoid breaking up the Liberal Party.' A few leading men like Sir Robert Reid, Leonard Courtney, and James Bryce had the courage of their convictions, and refused to be silent. 'But they can do little. The Government have a large majority and they mean to use it brutally if necessary.'

On the same day he remarked to his brother James:

Your letter of February 28th was written under a feeling of strong depression, which I can fully appreciate and understand. It is a terrible time for us all, and we are all suffering. Last evening I was with the Courtneys; and if there was a beautiful sight in this world it was to see Mrs. Courtney supporting and cheering her husband at this terrible time for him in the evening of his life. She told me that they receive such horrid anonymous letters, threatening to shoot him etc. Our country has simply gone mad. You have seen how private meetings and houses have been attacked, and there are constant incitements to violence in the press.

Well, it is all very dreadful, and I know your position is most trying in the middle of it all. But it is no use giving way to depression. That can do no good. We in our time have our trials, as our father had before us, and as most men who are worth anything have had. And ours is not so bad a case as that of the poor Dutch, who are vilely slandered and cannot reply. You and others must remain at your posts to help them, and not abandon them. Meanwhile the Conciliation Committee was active, but we have not yet had a reply from Lord Salisbury to our letter as to preserving the independence of the Republics.

On this point they had more hopes of Salisbury than of Chamberlain; for at the outset of the War the Conservative Premier had said: 'We seek no gold-fields; we seek no territory.'<sup>1</sup>

James Molteno was a practising barrister at the Cape, and was suffering for his opinions.

I am sorry [wrote his brother] to hear that the boycott of yourself extends to other professional business. Consider whether there is any business into which you could all go instead of the Bar. This is merely an idea. Our father often said how thankful he was that he was a farmer, and so could do as he pleased and be quite independent.

In the following week he wrote to James: 'I have asked Charlie to pay you out of the estate £500.' To Charlie he wrote (March 30th)

I have not enough time, or I would write a little historical account of the High Commissionership, for which I have some materials. I am trying to get public attention called to the condition of the Boer prisoners.

The death of General Joubert impelled him to say:

Poor Joubert gone! He is happy in dying in harness, having taken a splendid part in a magnificent struggle such as the world has hardly ever seen before — happy too in not living to see his country over-run by its enemies. His example will not die. Sir G. White's words were most opportune, 'a soldier and a gentleman a brave and honourable opponent'.

In April the question of annexing the Boer Republics was under discussion. The Conciliation Committee was unanimously opposed to the policy, and Molteno found some encouragement in a speech by the Chancellor of the Exchequer, Sir Michael Hicks-Beach, who had promised that there should be no hurry about the settlement and that there would be ample time for discussion and consideration. Consequently it was very important that the views of the Cape Government and of the majority of the Cape Parliament should be made known in a way that could not be suppressed by the Jingo newspapers.

In a letter to Merriman (April 25th), who had written to him on the annexation question, Percy drew attention to the ill-feeling which the war had aroused against Great Britain in foreign countries and to the stimulus it had given to Naval armaments:

The whole tone of Europe and America has changed towards us. Liberal feeling in all the countries of Europe was friendly to us, and helped the various governments to maintain friendly relations with us. That is all gone. Popular feeling, short of action, could not be stronger against us on the Continent. Since the Hague Peace Conference, owing to our action on the Continent, France has authorized £19 millions sterling on her fleet and fortifications. Germany has made certain £40 millions sterling on its fleet in the next five years, and Russia has also spent enormously on her fleet. So we have this tremendous menace here at our doors, brought upon us by the fatuous policy of crushing a supposed Boer menace seven thousand miles away from the vitals of the Empire.

<sup>1</sup> At the Guildhall, November 9th, 1899.

James' law

Boycotted

Percy's response

Capitalist influences were at work in favour of annexing the Boer Republics, and the press was almost unanimous for the policy which was to be adopted.

Every day it is clearer and clearer that I was right (though I say it who should not) when I urged your Ministry to tackle Milner *constitutionally* while he gave you a chance, and there was time. The worst *constitutional* fight would have been better than the real fighting. You all saw what Milner was, after the despatch of May 4th; and you all knew the Boers would not peacefully hand over their country to him. Therefore you should not have tolerated that game of bluff which was being played. Read my father's *Life* and see what a position he took up for the Colony, and how far below that is the position occupied to-day.

At this time Merriman and Sauer were the two leading 'Pro-Boer' members of Schreiner's ministry. They were close personal friends and political allies, and were intimate with the Moltenos. They were uneasy, and were hesitating as to whether they should break up the Ministry rather than put up any longer with the feeble and vacillating policy of Schreiner, who had practically surrendered to Milner.

On the day of his letter to Merriman, from which I have been quoting, Molteno wrote a shorter one to Sauer. He was boiling with indignation over stories which had come over about the conduct of Brabant's troopers.

One can't write with patience of all that is going on, and I can say nothing that is useful or helpful at the moment. As you see my pen almost refuses its usual duty; so I will stop.

At the beginning of May he acknowledged two letters from Charlie,

which I read today to (John) Morley. He was a good deal stirred by them, and told me I had roused him to make an effort. I think he will make a big speech in the next week or two, but of course he has little influence on the popular mind, though his speeches are splendid specimens of close reasoning, which cannot be refuted, and which the Press does not attempt to refute, but labels him a doctrinaire and unpatriotic, and so satisfies shallow minds. What several Liberals say here is that your Ministry's inaction paralyses them; they cannot really fight your battles; you, like the Australians, must lead in your own cause, and then they will be able to back you up.

I hear sinister rumours that Schreiner and Solomon are being turned round by the Governor, and are beginning to lean upon him and even favour annexation. Now from what I know of Schreiner's character I fear there may be a possibility in this, and I think you should not leave him alone, but you and your Party should keep him up to the mark. . . . Every day it becomes clearer that Schreiner ought to have insisted on a say, or resigned and thrown the responsibility of war on the other side, who would not have dared to go so far; or if they had, their's would be the blame. Now of course Schreiner is simply ignored; the proceedings of Crewe, etc. go on unchecked, and the Ministry is a mere set of miserable puppets.

He encloses some reviews of his biography of his father. They were less unfavourable than he might have expected, 'looking to the violent feelings now rampant'. He was preparing a pamphlet on the Boer Ultimatum to show that Chamberlain had taken the first step.

In England the political situation was very hopeless. The people were as mad as ever; there were no indications of peace; the Government seemed to be committed to fighting down all opposition and completely crushing the Boers. Liberals continued to complain to him of the attitude of the Cape Ministry. Lord Salisbury had made a speech to the Primrose League which delighted the Jingos, and Mr. Chamberlain still professed to believe that an indemnity should be exacted from the two Republics which would compensate loyalists in Natal for their losses. The *Morning Post* had said in a recent article 'Mr. Courtney is a man who prefers justice to patriotism' — as if the just course were not the only truly patriotic one. My country right or wrong was another phrase often heard, 'which is equally false and pernicious'. His brother should look up Macaulay's essay on 'Clive' and see what he says about a country which resorts to evil means to push its ends'.

At this time he had a letter from W. P. Schreiner, who was still Prime Minister. His reply was sympathetic but he did not hesitate to express his view:

I cannot help regretting that the whole matter was not brought into the position of a constitutional struggle, when your Parliament met last year and had the opportunity of repudiating the interpretation put on things by the High Commissioner in his despatch of May 4th. . . .

It is very difficult to judge of these matters at a distance and without full information; but it seems to have been not sufficiently realized that a Colonial Premier has a duty in representing a Colony as a separate entity; only while he represents the people who put him in that position can he remain Premier. For my meaning see page 10 of Pamphlet herewith. I have marked the passage to which I refer, where my father states the position he successfully took up — and see also page 15 for another case and the remedy.

Though he concluded with 'very kind regards' he had spoken in the plainest language, and could say henceforth 'liberavi animam meam' to the Prime Minister of the Cape as well as to his leading colleagues.

A few days later (May 17th) he wrote to Charlie:

It would be far better for Schreiner to resign if he does not represent the views of those who placed him in power. If he would resign and then fight the Ministers whom Milner would put in, that would be best; but I fear he will not do that . . . There are many faults here too, but after all the fight must be on your side for your privileges.

If Schreiner's Cabinet failed to protest against the annexation, 'you had better be rid of him. Could you form a Ministry with Sauer at the head? He is a very able man.' If that was impossible, the next best course would be to form an opposition of uncompromising opponents of annexation.

It seems to me you must maintain that this country has been misled, that the war was a crime and a blunder, and that annexation is a further crime and blunder. Chamberlain's speech on Friday is practically a declaration of the Government's policy of annexation and Crown Colony rule.

That would mean no settlement and would ruin peace in the Cape Colony.

I am trying to enlighten the Australian delegates on the subject, and have seen Barton, their leading man. He was very sympathetic, and I am to have a long talk with him on the way to Cambridge on Saturday next, when Morley is to speak. I have also had long talks with Chief Justice de Villiers on the whole question, I find his views are what I expected. He will do much good by quietly talking with all he meets, as he does not mind saying what he thinks in private.

After hearing Morley's speech at Cambridge, where he referred to the 'hellish pandemonium' in South Africa, Percy again wrote to his brother on June 1st:

We have had this week Lord Salisbury's shameless repudiation of his own words in November last — 'we seek no goldfields and no territory' — and no one minds or cares; as Mr. Morley said the other day, 'there is a large class of public men who seem to think there is very little difference between right and wrong'. This is the natural result of the violent feelings aroused by war, when passion quite unseats reason and judgment, and men no longer ask whether anything is right or wrong, but only whether it is on their side or not. Of course a strong attempt will now be made by your jingos to goad the Cape Dutch into a rising and use the huge force in Africa to crush them and disfranchise them.

He hoped, however, that wise counsels would prevail among the Dutch of the Cape, and they would not allow themselves to be provoked into making any disturbance of the peace.

At this time a confidential letter from Charlie suggested that Schreiner was about to consent to the disfranchisement of the Dutch in various districts of the Colony.

It is a sad disappointment [replied Percy on June 9th] though hardly a surprise, to find Schreiner so complacent and subservient to the Governor's views. . . . Milner is being allowed to bounce and jockey your public men. You must find a man who can stand up to him and save the State. I daresay you will read Campbell-Bannerman's speech of the day before yesterday. He is in a very unfortunate position. The desertion of the whole Liberal Press<sup>2</sup> and their support of the Tories make it impossible for him to do anything effectively.

Meanwhile, Schreiner's Ministry had fallen, as his leading colleagues refused any longer to back him in his subservience to Sir Alfred Milner, and on June 29th Molteno wrote to congratulate Merriman on 'the stand you and Sauer have taken'. They would now be able to

<sup>2</sup> An exaggeration. *The Manchester Guardian*, C. P. Scott, *The Speaker*, J. L. Hammond, *The Edinburgh Evening News*, Hector Macpherson, and several other provincial papers had stoutly opposed the war policy.

say what they thought of the wicked policy which was being pursued, instead of being bound through being in office to defend it. To Sauer he wrote deploring the desertion of Schreiner and Solomon. It was a sad sight. They seemed to be cowed just when the party should have been able to present a united front to the enemy.

I wish I could have been out with you to be writing and aiding the cause. I am doing all I can here to get attention drawn to martial law cases. We have at last got Sir H. C.-Bannerman to take the matter up, and you will see he has refused to be put off. . . . The destruction of farms and the driving out of women and children to starve and perish is worse than Kaffir warfare. The Government here only say they don't believe it, and that Roberts has full power and will do no wrong. Percy had drawn Campbell-Bannerman's attention to it all, but the Government was using its powerful majority to suppress discussion, and the newspapers would admit no protests or arguments against those in authority.

Percy was looking up cases where an indemnity was unsuccessfully pleaded for illegal acts committed under martial law, and wrote to Sauer:

'I wish we could take action against Milner himself for some of these cases . . . You on your side must supply materials.' At the end of the letter he tells Sauer: 'I have had a long talk with Sir H. C.-Bannerman. He takes our view of the disastrous policy being pursued in South Africa, but he can't do much owing to divisions in his own party.' To another friend in South Africa he wrote (July 22nd) a long and fine letter on hearing from him of the tragic state of things at Cradock:

It is indeed all terrible and such as none of us could have believed we would have lived to see under the British flag. My heart beats for all the poor people who have been so monstrously treated under the so-called martial law, and for the poor women and children whose homes have been burnt in such a wicked and uncivilized manner in the Free State, and now for the poor women and children who are being turned out of Pretoria. Ever since the war began it has been like a horrible nightmare, and one has felt powerless to stop things or to do much to help. I and those associated with me have done a little towards trying to stem the torrent of lies and abuse which has been heaped upon the Dutch without cause and with monstrous injustice. You will see in the bound volume of pamphlets issued by our committee (which I send you by this mail) that we have published a good deal. But it works very slowly, and the Press has almost unanimously refused to hear or to publish anything on the other side.

The people of England are still sound and true, but they have been hopelessly misled by lies.

If they only knew the truth they would 'shrink with horror' from what was being done.

On our Committee we have some of the wisest and best men of England, who condemn this war in unmeasured terms and feel for you all as they would for their own brothers and sisters. There are many more

who cannot join us for official or other reasons, but who think as we do — such as the Lord Chief Justice of England (Lord Davey), Lord Hobhouse and other judges.

~~All those who have studied South Africa and speak with knowledge — men like Dr. Theal, James Bryce and F. C. Selous —~~ are against this wicked policy. This is a very hopeful feature, because their opinions must eventually prevail against the views of men who have had no experience of South Africa and others who are merely violent partisans, or are paid to write in the way they do.

You are quite right when you say that Sir A. Milner is at the bottom of all your troubles. He with Chamberlain has made the war possible, and has thrown himself into the hands of the South African League.

As an ex-official of the Colonial Office, who has had longer experience of Colonial affairs than anyone else, said to me a little while ago, 'Sir Alfred Milner is quite unfit for the position he holds and must be recalled as soon as the war is over.'

All might have been avoided had South Africans remained true to your Constitution; but Schreiner, with the best intentions, has done infinite injury. He has given away your liberties; he has handed over your people to ignorant and arbitrary military authorities, and worse, to men like Crewe and others who had no right to hold any authority whatever over a single civilian. Just when your Parliament was going to meet and could have stopped the abuse of martial law, Schreiner turns on his own party and rends them and joins the enemy and so makes the vindication of your liberties impossible at present.

It seems to me you can now only have extreme patience. Choose men on whom you can thoroughly rely for your leaders.

The days are indeed dark, but now is the time to show the spirit which is in us. There are many here who sympathize with you and will do all they can to help you. The real, true England will wake again and will do what is just and right. The loss of Gladstone was a terrible blow from which she has by no means recovered; but there are many good men here still, whose voices will be heard in the good cause and will eventually prevail. South Africa and its people should never have been called upon to bear such troubles as they are now suffering. A heavy account is being run up by those who have brought it about, and they will have to pay for it eventually.

At the end of July a debate in the House of Commons on the Colonial Vote again revealed the split in the Liberal Party, but Percy was encouraged by a speech of Sir William Harcourt. 'It has made a great impression and shows what can be done when a man speaks out.' The military situation was bad.

Our barracks [he wrote] are full of raw recruits, who could not stand foreign service at all, even if they possessed the necessary training. The supply of officers has been entirely used up. France is more or less openly making war preparations.

The attitude of Germany and Russia was also menacing. Chamberlain was known to be pressing for the General Election, but Lord Salisbury was supposed to be against

taking advantage of Lord Roberts' victories to get a fresh lease of power.

On June 17th, as we have seen, the Schreiner Ministry had fallen and the Sprigg Ministry, which lasted until February 21st, 1904, had taken its place, with a Loyalist majority, under Milner's control.<sup>3</sup> But Percy felt that there ought henceforth to be an effective opposition. 'Your Party I presume is now thoroughly purged, and what remains of it is I suppose ready to act unanimously. Your turn must surely come before very long.' But before that turn came, Sprigg's puppet Ministry allowed Milner to prorogue the Cape Parliament (in October, 1900), thanks to the assistance of Rose-Innes (Attorney-General) and Schreiner's 'Adullamites'.

The situation in England has been well summarized by Walker.<sup>4</sup> In the early autumn of 1900

Chamberlain induced Salisbury to appeal to the British electorate for a ratification of his Crown Colony policy. He himself supplied the election material and the war-cry. He first told the Liberals that, if they had not encouraged Kruger by opposing him, there would have been no war, and then published captured letters which had been written before the war by Merriman, de Villiers and de Water to friends in the Republics. Taken by themselves these letters substantiated many of the charges against Krugerism and Transvaal diplomacy and, though they also went far to disprove the existence of the alleged Afrikaner conspiracy against Great Britain before the war, of which so much had been and still was being made, their publication had great effect. The Tories swept the country to the cry of 'Every vote given to the Liberals is a vote given to the Boers'.

For every eight votes cast for Chamberlain's policy in this Khaki Election seven were cast against it; nevertheless, the post-war settlement was now firmly in his hands and Milner's.

When the Khaki Elections came on, in October, 1900, a deputation of Liberals from Mid-Bucks pressed Percy to stand for the Division, and it may be conjectured that he would have liked to accept the invitation. A report that he had done so appeared in the Press and Sir Donald Currie at once expressed his concern. This was natural enough, for Sir Donald as we have seen was often away from London and Percy was his chief standby at a time of great business anxiety. Indeed, in September Percy had had to protest against long telegrams of instructions which had been sent to the London directors without adequate knowledge of the facts.

We must have some discretion [wrote Percy to his Chief on September 24th] and some responsibility, if the business is to be managed successfully. Otherwise our position with the staff is discredited, and we are all discouraged.

In the matter of the candidature Sir Donald had his way. Percy told him that the report was unauthorized; he had merely agreed to see the Liberal Association. He had

<sup>3</sup> He was succeeded by Jameson, who held office till February, 1908, after which John X. Merriman became Prime Minister.

<sup>4</sup> *History of South Africa*, p. 494.

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Percy - Stand for H.C. in 1900 ?

Again Currie says No

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been approached by several constituencies and had refused to stand.

By proclaiming that the war was already over, and by the electioneering methods already referred to, the Unionist Party was able to maintain but not to increase its majority, and the Liberals opposed to the war did quite as well as the Liberal Imperialists who supported it. In Percy's words 'those who have taken a strong view against the war have come back with renewed courage and confidence'.

Chamberlain's action in publishing extracts from private letters written by Sir Henry de Villiers, John X. Merriman, and others for electioneering purposes was much resented. Molteno urged de Villiers to publish some of the context, and hearing that Merriman was much hurt and depressed and suffering from losses caused by the war, he sent his friend an offer of assistance so generous and considerate that Merriman, who replied on October 23rd from Stellenbosch, did not know how to thank him sufficiently. But on carefully thinking the matter over he felt sure it would be better to decline:

Public men here are pursued by such a hunt of obloquy, there are so many spies and delators on foot, that the smallest matter is made the most of by the Rhodes press, who are so steeped in iniquity themselves, that they cannot believe that others are not the same as themselves. You may faintly imagine the howl that would be set up if it was known that I had received a favour at the hands of a partner in Donald Currie and Co., but apart from that I am sure you will agree with me that a public man should as far as may be paddle his own canoe, though the code is stretched in election matters somewhat.

None the less Merriman was deeply grateful for the offer and the spirit that prompted it, which was all the pleasanter 'as coming from your father's son'. Then he went on:

Our Session has come to an end, and though on two important points — the annexation of the Republics and the Milner Letters — we pushed the Government hard, we were in a minority all through. But we were united, and no man left our ranks except Schreiner and Solomon, whose conduct has been inexplicable and inexcusable. Conscience may lead a politician into queer by-paths, but when a person fawns upon those who a few months before were accusing him of personal as well as political dishonour, then I rate his honesty very cheap.

He was especially disgusted and amazed when Schreiner voted against him on 'that Letter business'.

Meanwhile the misery continued. 'The process of welding the Dutch into a nationality goes on apace. Milner and Roberts will leave in South Africa a heritage of ruin.' The Khaki Election might have been worse, though Rutherford Harris had been elected an M.P.<sup>5</sup> Merriman's comment was: 'Rutherford Harris among

<sup>5</sup> He was elected for Monmouth, but unseated on petition! He had taken for his address Langilby Castle, Usk.

Merriman  
refuses  
Percy's  
offer of  
help

the gentlemen of England!! I never heard that he had a redeeming point. Unde habeas quacrit nemo sed oportet habere — true now as in old Rome, more's the pity!

Meanwhile, the South African News was almost on its last legs financially, and Molteno felt that it was 'most vital for our work here' as well as for South Africa to keep alive a Colonial organ for the recording of facts and the expression of views. His brother Charlie had come to London on this quest, and Percy asked Sinclair whether he could help to raise a fund for the support of the paper. He applied also to many other friends and sympathizers. In one of these letters he said:

Twenty thousand shares have been allotted and subscribed and there remain six thousand shares. It is proposed that these should be taken up. A friend has promised to subscribe £3,000 provided the remaining three thousand are subscribed. This is, I think a very generous offer, and should if possible be made effective by raising the rest of the money. I am prepared myself to subscribe £500, notwithstanding the numerous calls of all kinds upon one at present, both here and in South Africa. I may say that the people there are hard pressed, owing to the necessity of relieving numerous distresses created by the War. They have subscribed, I believe, for this purpose, something like £35,000, the majority of them being of course, men of very small means.

He also consulted Sir Robert Reid and was soon able to send a few lines to Cartwright, the editor, 'to help and cheer you who have been conducting such an admirable struggle under such adverse conditions'. He felt that it was of the first importance to keep the paper going, and he was making full use of his brother's presence in London to raise enough 'to tide you over this present pinch, the severity of which I know well'. But he had also had to consider 'the problem of starting a paper here under difficulties similar to yours'. However, he thought his brother would be able to take out help which would give Cartwright new hope and a new lease of life to his paper. 'I read your articles regularly', he added, but ventured to suggest that the keystone of Cartwright's efforts and the guiding principle of his journalism should be the constitutional issue, backed by the argument that the war could not have occurred if the rights and privileges of the Colony had been maintained; and further that 'the only way to prevent a similar disaster in the future is to make sure that such a violation of colonial rights should not occur again'. Percy was continually urging that the Cape Colony should claim the same status of freedom and responsibility as the colonies of Canada, Australia and New Zealand. He had reason to think that Sir Wilfred Laurier of Canada and Mr. Barton of Australia were sympathetic and would use their influence with Chamberlain to check Milner's encroachments on self-government at the Cape. At that time the opportunity had not come, but Percy's foresight was to be justified, for at a critical moment the Premiers of Canada and of

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Australia turned the scale at the Colonial Conference after the war against Milner's design of suspending the Cape Constitution.

After the Khaki Election the situation in South Africa went from bad to worse, as we have seen. The British lines of communication were being harried, and in retaliation burghers were being put on trains as hostages, farms were being burnt, and to prevent their starvation and the danger of native outrages the Boer women and children were being herded in concentration camps.

Charlie had come to London and the brothers were conferring together. Percy was also in correspondence with Captain Sinclair, who was staying as usual with Campbell-Bannerman at Belmont Castle, Meigle. The dissensions in the Liberal Party were acute, and C.-B. had the utmost difficulty in preventing an open schism. He detested the Chamberlain and Milner policy; but he was canny, and unwilling to yield to the hotheads, feeling that some sort of Party unity should be preserved until better times came. He relied on Percy Moltano for accurate information from South Africa, and Sinclair was constantly asking for 'the truth and the light'. Early in November he wrote to ask Percy whether a strong case was not being made for placing the cost of maintaining extra troops and police on South Africa itself. Percy replied on November 7th as follows:

I assume you mean South Africa as a whole.

Well, take the Cape Colony and Natal.

Both these colonies protested against the war and have been told it was an Imperial affair, and they must acquiesce. Mr. Chamberlain, if I mistake not, said last Autumn that the cost of the war was to be borne by the Imperial Government, and as a matter of fact the pay and Commissariat have been paid by the Imperial Government so far for the troops, whether colonial or regular, actually engaged in the war.

Again, let us suppose the Imperial Government insisted on Cape and Natal paying a portion. What would it do if they refused to vote the money? Is it conceivable that they would be forced by the Imperial power or that the attempt, if made, would succeed?

But again, suppose the payment were forced on the Cape and Natal, could these Colonies bear the burden? I say most unhesitatingly, No. They are as heavily taxed as it is possible to tax them, and they can bear no more.

So far, then, as the Cape and Natal are concerned, it is not feasible or possible to make them bear the whole cost or a portion of it.

Now let us take the Orange River Colony and the Transvaal. These are extremely poor countries apart from the gold mines. From an agricultural point of view they can't bear more taxation. The Government of the Orange Free State was extremely economical. Its English Government must be much more costly, the new officials being much more highly paid than the old. I am certain we shall in that colony have a repetition of what occurred in the Transvaal in 1877 — namely, that the taxation will be increased to the discontent of all the inhabitants, English and Dutch; and this without one penny being paid for the cost of the war or of extra police. Further, remember that the country is devastated and will at first be unable to

realize the revenue it had before the war, much less any increase. The chairman of the Bloemfontein Chamber of Commerce has recently stated that it will be five years before the Orange River Colony will have anything whatever to export.

We must then rule out the Orange River Colony as a practicable contributor to such cost.

Now let us take the Transvaal.

The new Government will be far more costly than the old, the salaries being far higher for English officials and for all the ordinary purposes of government; and if public works are to be undertaken it will be still more. The old taxation was complained of. What will happen about the new with the expectations which have been raised unfulfilled?

Further, the rural population has been ruined for years. This will make food very costly, and the farmers will be able to contribute hardly anything to the revenue.

The goldfields remain. This long war is wasting the funds of the richest of them. They cannot begin to produce revenue for months to come, and they will need a year or two at least to recuperate their exhausted funds. How can they contribute much to the revenue in indirect taxation? If we put the dividends at £6 millions sterling per annum, we are making a liberal estimate. Put a ten per cent. income tax on this and we have £600,000. This would be swallowed up in the ordinary revenue and expenditure.

But the £6 millions would not be reached again for three or four years.

Now suppose and conceive that you will place the cost of forty thousand troops on this country (the Transvaal) and will without representation attempt to exact it from the people. Then is it not clear that three things will happen? You will find it utterly impossible to get the money at all, and in the process of making this discovery you will have made every man in the country your resolute enemy.

Again, suppose you give representation, can you conceive of the country taxing itself to the extent necessary to pay for this enormous outlay.

From this masterly demonstration of economic facts, undertaken before the war had run more than half its course, Molteno arrived at the conclusion that Britain would have to bear the cost and make itself responsible for territories whose people had been killed or impoverished or ruined, to say nothing of their disarmament in face of natives who were in numbers eight to one.

A native war on a large scale is a certainty if the capitalists' policy is allowed to prevail in this field as it has in the Chartered Territory. How is England going to control the machinations of these men 7,000 miles away!

Molteno ended by inviting Sinclair to criticise the statement. Whether he did so or not I cannot say; but I feel pretty certain that Campbell-Bannerman, though he did not pretend to be a financier, was convinced by Molteno's reasoning, which turned out to be perfectly correct. The war, which was estimated to last a few weeks, at a cost of £10 millions, and to be paid for by the gold mines, lasted

two and a half years, and cost £250 millions. The whole bill was paid for by British taxpayers or added to the National Debt.

On the same day on which he wrote this weighty letter to Sinclair he despatched another to Sauer on the splendid stand they had made in the Cape Parliament. Schreiner's defection was a terrible blow; but under that blow, received at a critical moment, 'your Party has born up admirably'. In face of the perversions of the Press and its daily misrepresentation of the facts in South Africa, he saw no immediate prospect of a change in public opinion at home or in the Government's policy, unless some catastrophe made it clear that they were living in a false paradise. The Liberal Party, he added, had played hide-and-seek with their principles, and were in a state of paralysis.

There was a time in the middle of last year when they would have aided you unanimously, but Schreiner failed to perceive that a constitutional struggle, however violent, was better than war. They waited in vain for a lead from him to resist the Colonial Secretary's policy of undue pressure.

Soon afterwards, in a series of letters on the 17th, 18th and 20th of November, Sinclair plied Percy with questions as to what should be done when Parliament met.

Are the Government going to lay down their scheme of future government for South Africa? — I mean the rearrangement under Milner as supreme head? Or has it been delayed by the prolonged fighting? And what are we to say about Milner? Is it possible to do more at this moment than criticise?

In a last letter he asked what Percy thought about the demand for unconditional surrender and what steps should be taken to bring the war to an end.

These matters, [he added] are all pressing, and likely to be pressed in Parliament. And your opinion as to the sufficiency of the ground and the available grounds for the case in regard to each is what I should value greatly. Could we have a comfortable talk?

Not easy questions to answer; but they indicate the thoughts that were passing through C-B.'s mind and his perplexities on the eve of the Session. These letters and many similar ones show the value that C-B. attached to Percy's opinion and the confidence reposed in his judgment on all questions relating to South Africa and the war. Yet there is no mention of him in the official *Life of Campbell-Bannerman* (or in the memoir of Lord Pentland).

On December 2nd a small dinner was given for Percy and Charlie to meet the Liberal Leader.

He is as strong as anyone can wish [wrote Percy afterwards] in condemning Milner; but he does not see how to get at him with any hope of success. . . . Mere right and wrong does not decide in matters of this kind. You want to enlist the aid of powerful 'interests' in support of the right. Now at first all the great interests are in favour of the war — the capitalists and their satel-

lites, the gold-mining shareholders, all over the country, the Press, the Army, the Government and its supporters.

Against all this they had only the ethical principles of right and wrong, of truth and justice. These were overborne; but when the cost of the war began to be felt by taxpayers, who had no shares or interests in the mines or in the war, but only had to pay, an important interest would be brought in, and there would be a more general readiness to criticize the policy. Cold comfort at the moment, as he admitted. Still, Charlie was having a good reception in London and the two brothers were seeing Harcourt, Campbell-Bannerman, Bryce and other statesmen who were opposed to the Chamberlain-Milner policy of unconditional surrender.

Percy indeed was leaving no stone unturned to promote the cause he had at heart. His sisters, Betty and Caroline, had sent him touching and graphic accounts of the Paarl Congress of the Dutch Colonial Party and their sympathizers in November and of the sufferings of the Boer women and children which were exciting the Dutch all over South Africa and creating a very dangerous state of exasperation in Cape Colony which caused the loyalists to cry out more and more for coercion. Mrs. Richard Solomon wrote to Percy to explain why her husband had accepted the office of Attorney-General in Milner's new Crown Colony Government of the Transvaal. 'My husband,' she said, 'with his intense feeling of sympathy for the Dutch may be of some use in helping poor unhappy South Africa.' His acceptance of the post, she added, involved 'much personal sacrifice'. About the same time A. P. N. du Toit, who was staying in England, wrote to Percy, 'the part which you and Mrs. Molteno have taken in this terrible struggle has made you dear to every rightminded South African of Dutch descent'. Methods of barbarism had stirred the Quakers. One of them, John Ellis, a wealthy Liberal Member of Parliament, had sent J. M. Robertson in the summer of this year (1900) to ascertain facts about the proceedings under martial law and the general conditions in Cape Colony. Percy had supplied Robertson with introductions and at the beginning of December he sent a letter to the Hon. J. Rose-Innes, K.C.:

to introduce Mr. and Mrs. Joshua Rowntree, members of the Society of Friends, who are proceeding to South Africa to ascertain the extent of the distress caused by the war and what steps can be taken to alleviate it.

With them in the Castle liner, *Avondale*, travelled Miss Emily Hobhouse, and at the end of December Betty, who was at Kenilworth looking forward to their arrival, wrote: 'I am thankful that English people are coming themselves to see with their own eyes, and to make personal acquaintance with the Dutch.' (TL 1900)

On December 23rd (1900) Charlie was on his way back to the Cape. (TL)

He will tell you how he found things here [wrote Percy to Merriman]. Chamberlain did not accede to his request for an interview. They have all hardened

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their hearts, and if the facts have not yet convinced them how mistaken they were as to the situation when they began the war — ten millions was to suffice and now they have spent ten times ten — then will they ever learn except by some more tremendous disaster like a foreign war?

Another Boer invasion of the Cape Colony had made things worse than ever and Percy thought he detected considerable misgivings among Conservatives about what was going on and what might happen. He and others who had foretold the consequences were

of course being blackguarded as usual; but it breaks no bones. We live with our hearts in our mouths. We are feeling what the force of evil still is in the world. A desert island would be a welcome retreat but that would be desertion.

This is the only pun in Percy's correspondence and perhaps the only one he ever perpetrated.

#### CHAPTER XVIII

#### THE THIRD YEAR OF THE WAR 1901

TL At the beginning of January, 1901, the whole of the Cape Colony seemed likely to be involved in what was becoming a civil war, and more districts were being placed under the rule of the military authorities. 'I see Beaufort West is under Martial Law, and I am wondering'—so Percy wrote to Charlie—'how it will fare with our stock, etc.' Wallace, his former brother, had told him that the feeling in the neighbourhood of Aliwal North was 'terrible', and all his remaining animals had been commandeered. In home politics there was one important and hopeful development. The *Daily News* had been brought over to the policy of that section of the Liberal Party, now gaining predominance, which opposed Chamberlain's policy. The transfer took place on February 1st. This was a real encouragement.

Meanwhile a new idea had struck Percy. The British public ought to be informed in an authoritative way about the views of their party in South Africa:

I think you should send both Merriman and Sauer over to ask for audience at the Bar of the House of Commons; and we must try to get the Liberal Party to back the demand to let them be heard.

On January 3rd he put the case to Sauer. They must look ahead; for 'the South African question will be long with us'. A definite purpose and a consistent policy would enable them to effect a good deal. 'All constitutional means should be used to enlighten people here,' who were now beginning to see that they had been misled. 'They will be more ready to listen when taxation comes.'

It seems likely that his suggestion was telegraphed out; for on January 8th Charlie wrote from Miller's Point:

the best news I can give you today is that a large and influential meeting of the South African Party decided yesterday to send Merriman and Sauer to England to

Wallace

1901  
Wess's Point  
 family  
 how did it  
 become so?

represent their views to the British Government, to Parliament, and in the last resort to the people of England. I pointed out strongly how desirable it was for politicians from our side to come into personal contact with leading men in England. Of course I know that you thoroughly agree and will give Merriman and Sauer every possible assistance.

On January 10th Percy told Charlie of a rumour that Sir Wilfred Laurier would act as mediator for a settlement. Chamberlain had told a friend of his that very liberal treatment would be accorded to Boers if they would submit to British rule. He wanted the Boers to be put back on their farms with their own Landrosts, and would consider the raising of a loan for the purpose. Altogether 'there is much of conciliation in the air just now.' But Percy foresaw that these overtures to the Boers would not succeed. It was a mistake to try to get at the commandos behind the backs of their leaders. 'Only by conceding proper terms and by getting the terms guaranteed by those whom the Boers really trust will any good be done.'

This transient ray of hope soon vanished from the sky. Lord Kitchener, prevented from offering terms which the Boer leaders could accept and harassed by the brilliant guerilla tactics of Botha, de Wet, Delarey and Smuts, could only try to wear down resistance with the help of large reinforcements of mounted men and an enormous expenditure on block-houses to defend his long lines of communication against the sudden raids of swiftly moving commandos. His troops lost more from disease than from bullets, and for some time the rate of mortality among the Boer women and children—whom he had to remove from burnt farms to unhealthy camps—was so appalling that many supporters of the Government were roused to indignation. Chamberlain, to do him justice, insisted on remedial measures. There had been no deliberated inhumanity, only mismanagement and inefficiency.

TL | At the beginning of January Caroline wrote to Percy that Joshua Rowntree and Emily Hobhouse had landed at Cape Town. Nearly the whole Colony was now under martial law. Sir Gordon Sprigg had appealed to loyalists to arm in defence of the Colony. There was uneasiness bordering on panic, and the Government, wrote Charlie, were adding fuel to the flames by such absurd precautions as the mounting of guns on the slopes of the mountains. A few mounted Boers had been seen in the neighbourhood of Cape Town, but that hardly seemed to justify the formation of Town Guards in all the suburbs and 'a universal call to arms of the civilian population'. The circulation of the South African News had been prohibited in nearly all parts of the Colony.

Merriman and Sauer will give you some idea of the state of terror which exists. You will see that a number of Dutchmen, suspected of having sympathies with the invading forces, are being arrested.

On January 17th Percy had a letter from Miss Emily Hobhouse thanking him for a generous cheque, which she promised to lay out to the best advantage for the

Percy funds  
Emily Hobhouse

women and children in the concentration camps. She had hopes of getting there as Milner was quite willing. She had bargained for a couple of trucks to convey food and clothing. She was very grateful to Percy for all his help as well as to Charlie and Caroline for their un-failing kindness. Shortly afterwards she left for Bloemfontein, taking with her large quantities of provisions and clothing supplied by Mrs. Chitty, the Bradbys and the Rowntrees, who were supervising the funds raised in London.

Queen Victoria's death on January 22nd marked the end of an era of extraordinary prosperity, marred at its close by war and discord. The Queen had shown little sympathy with the Dutch in South Africa. Since she had made no secret of her dislike of Mr. Gladstone and Gladstonian Liberalism. It was otherwise with her son. The new King was on the best of terms with Campbell-Bannerman, whom he used to meet at Marienbad when they were taking their cures. On one occasion I remember a photograph appeared with the inscription: 'The King and C-B. walking together engaged in a conversation of high import'. A journalist had the curiosity to ask C-B. what they really were talking about. He said: 'I think I remember; it was about a new kind of soup which I was recommending to His Majesty.'

In January Percy gave an excellent address at Grimsby on 'True and False Imperialism. It was so successful that the local Liberals, headed by Tom Wintringham (who afterwards won the neighbouring seat of Lough), tried to persuade him to stand. Percy declined.

The absence of local connections and associations [he wrote to Wintringham on January 22nd] is a serious drawback, particularly when a local man is the sitting Member. And added to that I must advocate views which I can never hope to be very popular.

He also refused a request from Edwin Cornwall to stand as a Progressive for the London County Council. At this time he lunched with Evelyn at Wotton House and obtained a handsome donation to the *South African News*.

In February Percy corresponded with a missionary, Stanley P. Smith, about the atrocities committed in China by the European and Japanese forces after the Boxer Rebellion. He had been stirred to wrath by Dr. Dillon's exposure of these horrors in the *Contemporary Review*. Smith argued that the Chinese had begun the atrocities and that the European troops only indulged in a 'spirit of merciless retribution'. The Chinese, he said, intended to

massacre every European man, woman and child . . . Unfortunately, human nature being what it is, there is ever a temptation, which passionate natures find hard to resist, to meet atrocities by atrocities.

Percy took strong ground, and eventually on reading the evidence the worthy man changed his tone and fell back on the plea that Christianity must not be blamed for the deeds of soldiers who were not truly Christian, though born in a Christian country.

About the same time James Cropper, a clergyman in Westmorland and an old Cambridge friend, remon-

Percy  
being  
pressed  
again  
to enter  
politics

Percy  
opposed  
to European  
atrocities  
in  
China

Percy & X - lessons of  
Boer War

39373 Moltano 284

strated with Percy, who had sent him information about 'Methods of Barbarism' in South Africa. Cropper described the Boers as a stupid people who had insisted upon war. 'Kitchener was perfectly right and doing the only thing possible.' He added:

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HMG should  
must have  
Percy with  
X

I know you will think me a brute; but I can only say that your 'Horrors' appear to me inevitable under the circumstances. . . . If ever you get up in this district, try to see us, but don't mention the war; we shall not agree.

Moltano kept a copy of his reply, dated February 17th, 1901. One or two extracts will show how straightforward he could be with an errant minister of Christ:

Your letter breathes the most delightful self-assurance and savagery. I remember this was always a characteristic of yours; so I suppose it is useless to try to inform you. . . . I, of course, who have spent a good part of my life in South Africa, who know the Boers and English in South Africa by personal experience, who have spent years in studying South African history, who have had personal acquaintance with every statesman, South African or English, who have had to do with South Africa for the last twenty years and more, bow at once to your superior knowledge derived from such well-informed sources as the daily newspapers.

As to your platitudes about war being a ghastly job and horrors being inevitable, I do not find any sanction for them in the Founder of your Religion and His creed. He told us of peace on earth, and good-will towards men. His was a religion of amity and peace. Chivalry too used to insist that you must war with men and not with women.

Apparently chivalry had to be abandoned because Kitchener with 260,000 soldiers could not reduce by fair fighting 15,000 peasants in arms. He referred Cropper to the first act in Shakespeare's *Henry V*, where the King consults the Archbishop about going to war with France and asks him not to wrest the truth or create a false claim to the French throne, lest he should 'awake the sleeping sword of war' in a wrong cause. Whereupon the Archbishop, for reasons which he has just explained to the Bishop of Ely, promptly assures the king that there is nothing in the Salic law to bar the claim, and urges him to war:

'Stand for your own; unwind your bloody flag.'

In Percy's eyes the Christian churches during the Boer War—Anglican, Roman and Nonconformist—seemed no better than in Shakespeare's play. 'Dr. Guinness Rogers has said lately that we need not be so strict, because we do not live in ideal Christian times.' Cropper's treatment of Christian principles reminded him of the Irish peasant, who when reproved for lying replied: 'My priest tells me never to let my religion interfere with my daily life.' After thus letting off steam, he concluded quite affectionately:

and now I am the brute, I suppose, and will stop. I am so glad to hear of your rising family and all going well with it. May you and yours and your people never be treated as we are content to see the women and children of South Africa treated.

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organized

Early in February Merriman and Sauer reached London, where they found the Liberal Party still at sixes and sevens over the war. At a dinner of the Eighty Club, which Percy attended, Sir Robert Reid, Member for Dumfries, an intimate friend and stout supporter of Campbell-Bannerman, took the Chair, and Sir Edward Grey, the most obstinate of the Liberal Imperialists, was the principal speaker. At this time feeling ran so strong that the Club could not gain new members, as the 'Pro-Boers' blackballed the Imperialists and the Imperialists the 'Pro-Boers'. Reid and Grey both acknowledged in their speeches that Liberals were disunited and that men of honour could not compromise their convictions on a vital issue for Party purposes. Grey was more critical of Chamberlain than usual, but the dinner failed to heal the rift in the party.

How Percy got Dumfries seat

On March 2nd Percy wrote to tell his brother, Charlie, that Sauer had seen Chamberlain but found him 'quite hopeless'. The Colonial Secretary seemed to have no real conception of the situation. He talked of Crown Colony rule, and would not offer the Boers any terms. 'So you see there is little hope of any settlement that will be permanent.' However, they had had an excellent meeting of the Conciliation Committee, 'a splendid body to work with'. He was also cheered by the proceedings of the National Liberal Federation at Rugby, which had passed unanimously a strong resolution in favour of self-government for the two new Colonies. On March 8th he records:

Liberal Party membership more liberal than leadership

Merriman dined with me last night; he saw Lord Rosebery yesterday and had a good talk with him. But his main work is still with the Liberal Party to see how far they would support the appeal to the House of Commons to hear them at the Bar. Milner's clique are apparently rather shy of agreeing to this.

When Milner was appointed Governor of the Transvaal and Orange River Crown Colonies, Percy thought it a 'monstrous insult', but consoled himself with the thought that it 'will never work'. He was disgusted with his friend, Richard Solomon, for accepting the position of Attorney-General to Milner's Transvaal Government. South Africa, he wrote, is suffering from the want of strict principle, moral fibre and backbone in her sons.

His correspondence shows that the Moltenos attributed the failure of Kitchener's negotiations with the Boer generals to Milner and Chamberlain. A veritable reign of terror followed. Treason Courts were established in various parts of Cape Colony and in those towns of the two annexed Republics which were effectively occupied by our troops. James Molteno, who was employed to defend the accused, wrote to Percy on March 23rd from Barkly East:

Treason  
work - some

TL

I left Cape Town three weeks ago and will probably be away for months, if hostilities do not prevent. I am in attendance on the Treason Courts. We opened at Dordrecht on the 7th. . . . Here there are 124 cases!

The town was 6,000 feet above the sea-level and the climate very bracing. He was getting *The Times* and *The Speaker* from Percy, and had read his brother's address at Grimsby with pleasure. There had been a

Opp. Newspapers kept going by Percy et al

meeting of the proprietors of the South African News, and they had decided to keep the paper going by an allotment of new shares, to which Percy contributed £500.

On April 19th Percy wrote to Charlie that

last night's Budget speech will have a very sobering effect upon the country. All enthusiasm for the war was now completely evaporated, and one hopes that a more critical frame of mind will follow. . . . The delays at South African ports have already thrown enormous losses upon us [i.e. upon the Castle Line], and the practical stampede of native labour from the various ports is renewing the extreme delays just when we hoped they might have been minimised.

Economic Scarcity War

HM G B = £183m Income fl Cost of War - £25

Nowadays taxpayers may envy their predecessors who writhed under the severity of Hicks-Beach's War Budget of 1901 and felt its sobering effects. 'Black Michael' anticipated an expenditure of about £183 millions and a deficit of about £40 millions. To meet part of the deficit he introduced two new duties, an import duty on sugar and an export duty on coal. He also increased the income tax by twopence, raising it to fourteen pence in the pound. There was then no surtax, but there were many who thought that even a shilling income tax was dangerous if not punitive, and it was considered quite courageous to propose additional taxation which would contribute as much as eleven millions towards the deficit.

At the beginning of May Sir Henry de Villiers and Percy lunched with C-B. Cartwright, the editor of the South African News, had just been sentenced to imprisonment for publishing a paragraph from the Freeman's Journal which had also appeared in The Times.

Cartwright gassed!

At this time Wallace, writing from Elands Hoek, near Aliwal North, told Percy that a column of Goring's Horse had passed by his farm in search of Boers whom they were trying to round up. There was a skirmish, but the Boers made good their retreat. Wallace saw this scene from the mountainside through his glasses. The British columns, he said covered the ground wonderfully, and, if all the British Forces were as efficient he wondered how the Boers managed to keep going.

Wallace during Boer War

A month later, Wallace wrote to Caroline :

The more I can wrap myself up in my little interests and doings, the better it is for me. I am only too thankful to have something to keep me well employed, and from thinking too much.

He went to town as little as possible, though some of his neighbours were taking up their abode there. In the town all business places had to be closed at four, and bars at nine, after which hour no civilian was allowed in the streets without a special pass.

Last week was the most trying one I have had so far. It opened on Monday with boom of cannons to the south-east, and this continued pretty well the whole day. On Tuesday, from seven to mid-day, there was very heavy firing, the heaviest I have so far heard. There were as many as three shots a minute. It was a fine day, and the firing sounded quite near. The people in the Veldt said they could hear the rifles, but from the house I could not. They were fighting I

Get 9/Boer War £230m!

Wal does manual work

39373 Moltano 287

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believe at the Neck, about an hour-and-a-half or two hours from me. It was rather funny hearing the booming of the guns, and I quietly cutting cabbages, cauliflowers, etc. The Boers are reported to be all about this part of the country, and I am fearing their turning up at any moment. On Friday some were reported quite near here. I am afraid if the Boers turn up I shall have to say good-bye to all my clothes, as a man came in yesterday and reported that they were at his place and took all his.

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A neighbouring farmer had had his place looted, and estimated the damage at £400. Nevertheless he wanted to buy Wallace's farm, and Wallace was wondering whether he should sell, and clear out. 'Farming under present conditions, especially to a man who is at all progressive, is heart-breaking work. A farmer is now in a dreadful position with war raging round him.' However, he was not doing badly with his vegetable garden. He was sending on an average every week to the town market about a hundred cabbages and cauliflower, fifty bunches of turnips and carrots, thirty pumpkins, two hundred bundles of barley, about twenty-five pounds of butter, and a couple of hundred oranges. He had been making about £39 a week out of the produce he sent into the town, and he had to do it all with only four boys to help him.

£2000  
per

At the end of May Lord Milner held forth at a meeting in London about the 'panoplied hatred' and ignorance with which he had to contend. Grey and Fowler, who were present, spoke in support of the war policy. This, wrote Percy, shows how Liberals are paralysed. 'You will see from Grey's speech that the idea is to swamp the Dutch with English settlers and then give self-government.' While such bad counsels prevailed he saw no hope for peace in South Africa. Meanwhile there had been a big fight with de la Ruy in Natal, and the Cape Colony was being invaded for the third time—this after nineteen months of war, though we had 250,000 men in South Africa!

250,000  
Troops

At this time Algernon Methuen issued his book entitled: *War or Peace in South Africa*, which Percy adjudged 'the best book on the whole situation which has yet come out.'

Liberals divided

A fine speech by John Morley at Montrose on June 4th gave another lead to Liberals on the lines favoured by Percy Moltano. Meetings had been held in many parts of the country to greet Merriman and Sauer; but the greatest demonstration was a big dinner arranged at the Holborn Restaurant by the National Reform Union for Campbell-Bannerman, Harcourt and Morley. Campbell-Bannerman spoke out very strongly against the policy of unconditional surrender and 'the methods of barbarism'—farm burning and concentration camps—by which it was to be brought about. But it was Morley whose speech went nearest to causing a complete rupture between the main body under Campbell-Bannerman and what was now evidently the smaller and diminishing fraction of the Party. In a picturesque sentence, which exasperated Asquith and Grey, Morley, looking round at the great gathering, declared that they were not in any cross-current of liberalism, not in any wayward or

retrograde eddy, but in the main stream. Nor was he wrong. Henceforth liberals who wished to be orthodox went about proclaiming their loyalty to Campbell-Bannerman, and began to denounce Chamberlain's war policy with a heartiness which showed that it was becoming unpopular. It was about this time that the by-elections began to mark a turn of the political tide, though the change only came slowly.

In the summer of 1901 the Cape Parliament ought to have been called to vote supplies for the year. Sprigg failed to do so. Percy in high indignation wrote to his friends at the Cape. 'You should all protest, all the members you can get, either by deputation to Sprigg or otherwise.' He had himself drafted a series of questions which John Morley put to Chamberlain in the House of Commons. But Liberals at home 'can't out-Herod Herod. You must give them the lead; otherwise your Constitution will certainly go by the board.' Indeed, as he pointed out to Sauer, Chamberlain's defence was that Milner had the approval of Sprigg for the non-assembly of Parliament, and Sir Edward Grey also made much of the fact that no protest had been made at the Cape. In a letter on the same subject to Merriman Percy said: 'I see Sinclair frequently, and I read to him and to C-B. the letters I receive from the Cape; so I shall be glad of all the information you can give me.' C-B. was making vigorous protests against Chamberlain's policy.

At the end of June Wallace wrote again saying that they had had splendid rains, which in other times would have put us into splendid spirits. 'But now I am afraid nothing will cheer one except getting peace.' He wondered when the end of 'this dreadful business' would come, and they would have life worth living once again. He had been to look for sheep on a high mountain called Kran Berg. There was a magnificent view. Next morning he had driven with James to town. 'It was a sad sight seeing the remains of dead horses all along the road.' No horses at all were left in the district, so he had to depend upon ox-cart or bicycle. 'The Boers may turn up here at any moment as they seem to be all about. I am much afraid that, unless terms are come to, the war will be fought out in the Colony.' James was in the Treason Court at Burgsdorf when Wallace was there; but he was dreadfully busy.

In the spring of this year (1901) Milner had complained that the situation for six months had been getting worse. He was opposed to the policy of farm-burning, and Chamberlain did not like it, but Kitchener had no alternative except peace, and when he tried to negotiate terms with Botha at Middelburg in March his efforts were frustrated by Chamberlain and Milner, because they refused representative institutions and rejected Kitchener's plan for an amnesty to rebels which Milner argued would have 'a deplorable effect on Loyalists' In private Kitchener expressed his feelings bluntly enough. It was absurd and wrong, he said, to carry on a costly war for the sake of putting two or three hundred Dutchmen in prison at the end of it. 'I wonder the Chancellor

Cape Parl  
prorogued

James with  
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of the Exchequer did not have a fit' on hearing how Milner had prevented peace. But Milner was still bent on unconditional surrender, declaring (truly enough) that the Colonial Loyalists preferred an indefinite prolongation of the war to an inconclusive peace.<sup>1</sup> In March on being appointed Governor of the Transvaal and Orange River colonies, he had left Capetown and taken up his residence in Johannesburg. At the same time Sir Walter Hely-Hutchinson, a sensible and humane man, was transferred from Natal to be Governor of the Cape. He and his wife were both liked by the Moltenos. But his power was limited by the martial law conditions which subordinated the civil administration to Kitchener officers.

At Johannesburg a staff of young men from Oxford, nicknamed by Merriman 'Milner's Kindergarten', was installed along with employees of the mining houses. Very high salaries were paid and a costly Civil Service was created for those parts of the Transvaal and Orange Free State which were effectively occupied. Some of the mines were also restarted on a small scale, and Milner paid a brief visit to England, where he was rewarded with a viscounty.

By midsummer, 1901, Kitchener had extended the area of British occupation considerably. Several thousand of the captured Boers had been removed to prison camps in Ceylon, St. Helena, the Bermudas, and Cape Colony, and over 80,000 refugees from the burnt farms, mostly women and children, were collected in various concentration camps. Some of the sites were badly chosen; there were rascally contractors, stupid officials, shortages of transport, inadequate rations, epidemics of measles and pneumonia with which the medical staffs were unable to cope. In these crowded camps disease and suffering were inevitable, but gradually the death-rate was reduced by Milner's energy, aided by Miss Hobhouse and other ladies and by trained Anglo-Indians who were accustomed to deal with famine and pestilence. Nevertheless, as Professor Walker observes, the deaths of 4,000 women and 16,000 children and the policy of farm-building of which those deaths were the indirect outcome, left a deep mark on the Afrikaner mind. burning X X

In June and July, 1901, the South African Women and Children's Distress Fund Committee was very active, and Percy Molteno was constantly addressing its meetings at the address of Lord Hobhouse, 16 Bruton Street, and at Lady Farrer's in Whitehall Court. On June 24th the Bishop of Hereford presided over a meeting in Queen's Hall at which Miss Emily Hobhouse, who had just returned from South Africa, described the condition of the camps. TL TL

In a letter to Percy on July 20th from Kenilworth Caroline said how difficult it was to convey a picture of the state of things prevailing in the Colony: 'The Merrimans realized that as soon as they set foot here again. And yet James and others up country say that *we* down here have no idea of the conditions up-country.' A friend of hers who had just returned from Nelspoort said: Beaufort is a fortified town with wire entanglements all

<sup>1</sup> See Walker's *History of South Africa*, pp. 495-6.

Alports from  
HMG

round. People like the Alports and others are fond of giving tea-parties for the officers. But the Commandant and his men were behaving badly, and there was much stealing. Several Dutchmen had been executed, 'though there was no evidence against them.' Mrs. Sauer, with Betty Molteno, Caroline Murray, and others, had gone to see the Governor, Sir Walter Hely-Hutchinson, to protest against these hasty executions under martial law:

We were ushered into his room. He was very polite. When he had read the papers handed to him he shook his head and said the matter was not in his hands—he had no power. It lay with the Commander-in-Chief, and he offered to forward to him what I (Caroline) had written as well as to tell him of our visit. We talked for some time, and he certainly listened as if he in no way disagreed with me, though he repeated more than once it was not a subject he could discuss. I said it seemed to me such actions could not injure the Boers but would rather further their cause, and that it was we English South Africans who would mostly feel the shame and the consequences.

TL  
July 1901

Next day Caroline called on the Governor's wife, Lady Hutchinson, and thought her 'really nice and sincere'. She was in delicate health and 'looked greatly distressed at times'. Afterwards, at her suggestion, Caroline and Betty sent a telegram to Lord Kitchener begging for the reprieve of those who had been condemned to death. It was thought that the Prime Minister, Sir Gordon Sprigg, might have been responsible for the suggestion of making an example of the rebels. The two sisters met him in the street and Betty said boldly: 'Well, Sir Gordon, here we are; have you got the halters ready?' He tried to turn it off with a joke. Caroline then said: 'Are you going to do anything to prevent the two condemned men from being executed?' He said he had no power. Caroline said with surprise: 'Have you then really *no* power?' He did not like to acknowledge that; and said that of course he had some power. Caroline hoped he would use it to prevent such a crime. Sprigg then began a little harangue on the wickedness of rebellion, 'quite swelling himself out as he went on'. The sisters then reminded him that there were different ways of viewing rebellion and that all the boasted liberties they enjoyed had been won by 'rebels'.

TL

I never saw anybody shut up so flat. However he was evidently most anxious to be friendly, and asked me if I ever thought of the happy times in '73 when we met on the frontier. As he affectionately held my hand in saying goodbye, I said severely: 'Well then you mean to do nothing to save these men?' 'Oh,' he replied, 'I did not say that. In fact I am just at this present moment occupied with a minute on the subject.' It struck me that already they had begun to realise the feeling these executions have created and that they would not go on with them.

In a bundle of papers connected with this interesting letter I found an official note to Mrs. Murray from Government House, Cape Town, dated July 21st, 1901. It ran:

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With reference to the petition on behalf of Cornelius Johannes Classen and Petrus Klopf, which you handed to the Governor on 18th instant, with a request that he would transmit it to the Commander-in-Chief, I am directed to inform you that Lord Kitchener states in a telegram received today that he does not propose to interfere in these cases. It is presumed that Petrus Klopf is intended for P. W. Kloppert.

Merriman and Sauer failed to make any impression on the British Government and they had been refused leave to speak from the Bar of the House of Commons. But they received a great welcome from Liberals and helped to swell the main stream of opinion in the Party under the lead of Campbell-Bannerman, whose position was gradually growing stronger. On his return Merriman found himself 'practically boycotted' at Stellenbosch, and wrote to Percy (July 23rd): 'You know Cape Town: the spirit seems crushed out of the people.'

Frank wrote sadly by the same mail from Kalk Bay that he saw no reason why the Republics should go on fighting, as England was determined to take away their independence and must win in the end. Meanwhile South Africa was being devastated. It is a pity, he exclaimed:

that we cannot have peace before the Duke and Duchess of York arrive here, as it is rather incongruous to have all these triumphal arches and rejoicings while our country is still bathed in blood.

At the end of July Charlie had an interview with Sprigg which confirmed a statement in the newspapers that his Ministry had consented to the hangings of Cape rebels. He added:

I have asked James to give you particulars of the methods adopted at some of these trials — a mere travesty of justice in which prisoners are not even allowed counsel. You are quite right as to famine being imminent. In districts near Capetown thousands of people are on the verge of starvation. What will it be in districts far from the sea-port when another season has passed with practically no crops raised? Politicians in England will have to recognise that peace can only be brought about by mutual concessions, and that brute force will never settle the problem of South Africa — a thousand times more difficult now than before the war.

In August 1901 bad news of all kinds poured in on Percy from his brothers and sisters at the Cape. Charlie wrote to him on August 13th about the destruction of livestock and the proceedings under martial law:

One report alone mentions 46,000 sheep killed. Personally I reckon that I have lost £15,000 in the last week, as the whole farm has been cut up again. Soon there will not be an ostrich left. In many parts the farmers are being forced to abandon their farms.

He was consulting with Sauer and others about a protest against the trials of colonists by court martial and the miseries of martial law: 'With you I can see no daylight. All we can do is to try here and there to mitigate the hard lot of people suffering through no fault of their own.' On August 21st he reported a general consensus of opinion that

Frank's  
Views of  
War

Charlie  
presses vs  
hangings

Charlie's  
large losses in  
Boer War

martial  
law

the executions had only stiffened the fighting power of the Commandos. As one man of large experience remarked to me we are constantly told that the war is about over, and yet see the area of operations continually extended, and more and more of the Colony drawn into the fighting. I am told on good authority that in one district, where an execution took place, seventy young fellows instantly joined the Commandos.

No formal G  
political pro  
vs Martial

Percy was urging his Cape friends to make a formal protest about martial law. Sauer and Charlie agreed, but Merriman was against any action. Correspondence, he wrote, was difficult 'as my letters are continually tampered with'. Meanwhile Percy had commissioned his friend Mackarness, who was in communication with Harcourt and Bryce on the subject, to prepare a pamphlet on martial law with precedents to combat 'the villainous theory that we may shoot these poor Boers'.

Censorship

On August 21st Percy found encouragement in a manifesto of the Free Churches. Dr. Clifford had taken the field, and the League of Liberals against Aggression and Militarism was planning an active campaign for the autumn. There was much excitement and indignation at the arrest and detention of Merriman, 'a monstrous insult' to one of the finest Englishmen in South Africa, a gentleman, a scholar, and a statesman of unblemished loyalty. Moltano rightly described it as 'causeless and senseless'. Caroline wrote that he had been ordered 'in the most discourteous terms' not to leave his farm.

Merriman  
arrested (TL)  
+ House - anc

There is nothing to be done but endure and not be cowed. All of our party are marked, and one after another we shall follow as soon as martial law is declared. I expect this [treatment of Merriman] is because he did not appear at any of the receptions to the Duke and Duchess.

Caroline's own name was on the black list now. This had been shown in a marked way at Government House, when her husband was asked to a party without her.

Caroline  
on Black List  
TL

We all realise that we are directly governed by Mr. Chamberlain and his lieutenant Lord Milner. Sir Walter (Hely-Hutchinson) plainly tells us he has no power whatever, and so do the Ministry. I feel so exasperated sometimes that I can't sit still. These wretched executions of the rebels go on everywhere.

Soon afterwards she wrote more cheerfully:

I am glad to hear from Charlie that Julius Jackson [their farm manager] has got most of the ostriches back into their camps and that he has managed to pluck them. You seem to have made great alterations at Parklands; it is a delightful home for your children; I am so glad that I can picture you all there.

The following letter is of special interest as it introduces an important action on the part of Percy:

My dear Moltano,

Merriman cannot at Stellenbosch write to Sir Henry Campbell-Bannerman, Mr. Morley, Mr. Paul or any of the other men to whom under other circumstances he would probably write with regard to the restrictions placed on his movements by the military authorities.

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Letter

Red

I therefore leave it to you to communicate with such of these gentlemen you may think it desirable to keep advised from time to time, about the 'Merriman case'. On the 30th Merriman received from the Governor a letter of which I enclose a copy, and about the same date the Commandant at Stellenbosch sent him a memorandum of which I also enclose a copy. This is very little to be thankful for — but it is so far satisfactory that the General Commanding will find it difficult to explain why, if he can go where he wishes to in the district of Stellenbosch, which is under martial law, he should be prevented from coming to Capetown which is not under martial law. Application is now being made to the Issuer of Permits for a pass for Merriman for Thursday next. If that is refused, we must go to the Court, and if need be to the Privy Council. We get no news; but all the rumours point to an extremely unsatisfactory military position in the Colony. There is little chance of a meeting of Parliament this year.

Yours sincerely,  
Harry Currey.

Charlie wrote to Percy from Capetown on September 18th, 1901:

Merriman has just been spending a week with me. I had got him almost to the point of agreeing to the drawing up of a formal protest when he was ordered by the General to return to Stellenbosch. This further attempt upon his liberty seemed to drive everything else out of his head, and his wife has got into such a nervous condition that I now doubt if he will do anything.

As to the progress of the war we know next to nothing. The monstrous arrests of leading men still continue. Those I mentioned in my last are now in solitary confinement at Malmesbury.

They were chiefly of the men who had the temerity to protest against the war policy', but no names had been published in the papers. It looked to his brothers as it did to Percy as if things were going badly. Percy wrote (September 19th): 'They are now enlisting the returned yeomanry afresh. So they are apparently realizing that the war is going to last a long time if no terms are given'. He was much concerned about the family's Nelspoort farms where all the donkeys had been requisitioned, the crops taken and all farm work stopped and no foodstuffs could be grown. This, reported Charlie, was so far as he could hear 'general all over the Colony'. Towards the end of October Percy went off for a short holiday in Italy; but before leaving he took an important step to question the legality of the restraints which had been put upon Merriman's freedom. He communicated with a leading firm of solicitors and on October 24th sent them a cheque saying he was acting for Merriman, and they were to employ Blake Odgers, K.C., and F. Mackarness. On returning at the end of October he heard from the solicitors, Messrs. Charles Russell, of another case which proved how effective British law can sometimes be to prevent injustices even in war time. Their letter ran:

Nelspoort  
- farm of

29

Father legal  
for Merriman

re D. F. Marais

Mr. Mackarness handed to us the papers which he received from you in this matter. We at once communicated with the Colonial Secretary, who cabled instructions to South Africa for all proceedings to be stayed there pending the decision of the Privy Council in the matter.

The Petition for leave will be heard at the Privy Council on the 5th November.

Meantime we should be glad of an interview with you if possible during tomorrow either at Palace Court or elsewhere as convenient to yourself if you could either telephone or wire us what time would suit you for us to call.

The joint opinion of Blake Odgers and Mackarness indicated that several courses of action were open to Merriman, and that he could proceed against those responsible for his arrest in either an English or a South African Court. On this it was decided to send Counsel's opinion to Merriman, along with an account of the proceedings in the Marais case heard before the judicial committee of the Privy Council on November 5th.

That Moltano's action had a salutary effect was proved by subsequent events. After a few weeks the ban upon Merriman's freedom was removed.

Another sensation was caused by the deportation of Miss Emily Hobhouse from Capetown. On November 6th Caroline wrote from Kenilworth:

I wonder whether you will have heard anything about what has happened to Miss Hobhouse on her arrival here. She left on Saturday, Nov. 2nd in the Roslin Castle, which is now a hospital troop ship. Her nurse was allowed to go with her, and since she left we hear the Colonel-in-charge very well spoken of. So these are two sources of comfort to us; for she went through a most trying experience during the few days she was here, and was finally removed by force to the Roslin Castle on Thursday evening. I was the only person allowed to see her on Friday morning, and I stayed with her till nearly 12 o'clock, when the ship went out of dock. . . . She was very much shaken and exhausted.

Miss Hobhouse landed on November 24th at Southampton, where she was well looked after at Percy's instructions. Her uncle, Lord Hobhouse, consulted him about the violent deportation of his niece as he was contemplating legal action against those responsible.

Percy's letters to the Cape during November throw light on the situation. He was deeply concerned about the devastation of Cape Colony. Such losses as the farmers had suffered could not be feared to be made good by compensation. But 'luckily if you have a fairly wet season, the veldt will grow out and be much strengthened and increased by the rest'. All his letters from South Africa were being opened. 'Since attempting to deprive others of their liberty we are losing our own as I have always predicted would be the case.' However C-B. and Harcourt were still 'pegging away' with speeches.

Upshot

(? copy to close)

Emily Hobhouse's deportation

Caroline's role

Percy's role

and letters to *The Times*, and there were reports that Lord Rosebery, 'the dark horse', was about to come out of his loose box. Chamberlain meanwhile was praising the country for its patience, and urging further patience. After C-B.'s open declarations against him and Milner, Percy thought that the tension between Liberals and Liberal Imperialists must be near breaking-strain.

My friend Colonel Stopford says he has no doubt the Imperialists will join the Government and save the latter for a time ; but he thinks the argument against them of £1,500,000 a week will be too strong even for the combination, and that they are bound to be brought down by it eventually.

He compared the assistance which the Liberal Imperialists were giving to Chamberlain to that which the Whig Imperialists had given to Pitt when, by breaking away from Fox, they helped Pitt to maintain the war against revolutionary France.

Percy was on the best of terms with Sir Henry Campbell-Bannerman and his faithful secretary, Captain Sinclair, who wrote to Percy from Belmont Castle, Meigle, on November 2nd, 1901:

So far as C-B.'s meetings and speeches, and things of the Liberal Party main stream, are concerned, all has gone well. But there are in front of us the Lib. Imps., who are unyielding and a great weakness to the effectiveness of the Party. The unstable equilibrium resulting therefrom cannot endure even if it can be endured, and they seem rather aggressive. Undoubtedly here in Scotland C-B.'s position is stronger than ever it was, and from the general point of view this ought to be elsewhere.

In Scotland at any rate audiences will now listen and discussion is not only tolerated but, I think, desired.

He ended by asking for South African news, and suggested that Percy should come north to take part in a number of Liberal meetings which had been arranged in the West of Scotland.

Replying to Sinclair later in the month, Percy wrote:

I was very glad to see C-B.'s excellent speeches at Bath and Plymouth, especially the latter which was very well worked-out and unanswerable. It is also the first declaration that there can be no peace until Milner and Chamberlain go. I am delighted to see it as this is the only real solution of the difficulties out there. It is strange to me in this connection that no notice has been taken by Liberals (with the exception of Mr. Morley) of the fact that Mr. Chamberlain confessed that he had not been warned what the war meant. The confession was made at Edinburgh and is a very important one. In the first place it is not true, as he was warned by the ministers both of the Cape and Natal. But apart from this, take his confession alone and see what that means. It should be pointed out everywhere that the error to which he now confesses has cost this country many thousands of lives, many millions of treasure, has incurred the active enmity of the whole world, and has been perhaps the most fatal error ever made by English statesmen.

Percy  
clerk

The  
Liberal  
Leader

Cost of  
Chamberlain

Percy 1901 he

Percy had made up his mind to stand at the next General Election, and was active in political controversy with the Imperialists. His correspondence with one of them, Iwan Müller, in *The Times*, attracted some attention. He was laying much stress on the enormous waste of money which the war involved, and the ruinous consequences of the devastation in South Africa. Though the British forces were gaining ground and capturing small commandos here and there, the Boers still had occasional successes. In October they raided Malmesbury and took all the horses from the remount camps in the district and burnt the public offices. In December de Wet surprised a camp of yeomanry at Dweefontein and in the following March de la Rey captured Lord Methuen at Tweebosch. But by then the fighting was nearly over.

to stand in

CHAPTER XIX

THE BOER WAR ENDS WITH THE PEACE OF VEREENIGING—PERCY REVISITS SOUTH AFRICA

AFTER the New Year the British Government and the British Army in South Africa were utterly tired of the war, and the Boer Generals, though they still kept a number of commandos in the field, had come to feel that the fight for independence was hopeless and that they must make the best terms possible.

At this time the Netherlands Government offered to mediate and the Foreign Office declined the offer in such a fashion that it left the way open for direct negotiations between Kitchener and the Boer leaders. In April they met at Klerksdorp, and in May thirty representatives from each of the two Republics met at Vereeniging. The party that wished to go on fighting for independence was headed by President Steyn; but Schalk Burger, acting President of the Transvaal, supported by Botha, Hertzog, Smuts, and eventually by de Wet and de la Rey, carried the day and the British terms were accepted on May 31st by fifty-four votes to six. Under the Peace Treaty, known as the Peace of Vereeniging, which was signed at Pretoria, the republicans surrendered the independence for which they had fought so long and so stubbornly. The British Government promised £3 millions to repair the war ravages, and a large development loan. After the commandos had laid down their arms, Crown Colony Government was proclaimed as a preliminary to responsible government in the future; Kitchener returned home, and Milner was left in charge. His task was an unenviable one, but he had plenty of money and a large staff. By March, 1903, the 200,000 British troops had been reduced to 30,000 men. He had also to deal with over 100,000 Boers in the concentration camps, mostly women and children, and over 32,000 captured Boers in the prison camps, to say nothing of 100,000 natives, who had also been penned up to prevent trouble. Finally there were many thousands of colonial volunteers and irregulars to be disbanded. Grazing was scarce;

Kitchener meets Boers

£3m received vs cost of £250m

100,000 A also detained

hid out more: To Do

As many Black SA as Boers detained

decided  
next election

transport was enormously difficult; the single lines of worn-out railways were crowded and often blocked by trains filled with troops or refugees. Nevertheless by the spring of 1902 the prison and concentration camps had been practically cleared, and only about a thousand of the Boer soldiers remained in the prison camps overseas. On the whole it may be said that the work of repatriation was accomplished as well as could reasonably be expected.

Boer War  
general to  
London (Bobby  
with food)  
late 1902

Botha, de la Rey and de Wet went to London. There they received a welcome whose warmth proved that the nation now frankly and generously recognized the gallantry of their foes. When they passed to the Continent, where Reitz and ex-President Steyn were trying to raise funds for the Boer widows and orphans, they found little response, and quickly realized that they must depend for help on British taxpayers and British sympathy. On their return to South Africa they found Chamberlain was already there, preaching conciliation. This was in December, 1902. Martial law had been withdrawn, and most of the Cape rebels were released or let off with mild punishments.

TL

In the early months of 1902 preceding the Peace of Vereeniging there is not much to detain us in the Molteno correspondence. There are many letters attesting his generosity to his family and friends and to unfortunate victims of the war. He was indeed bombarded with applications of all kinds. One of the most interesting was from a brilliant Liberal journalist, H. W. Massingham, who was planning with J. A. Hobson a new venture (a twopenny weekly review which would be anti-Imperialist and libertarian) with the approval and support of another friend, A. M. S. Methuen, the Publisher. They hoped to raise a capital of £10,000. Molteno was one of the first whom they approached. The project came to nothing; but later on, when The Nation succeeded The Speaker, Massingham became its editor, collected a brilliant staff and made it a force in Liberal policy.

Percy  
generosity

Percy and Bessie had been very anxious about the health of their two boys, Charlie and Jarvis but they were better in March and it was decided to take them and their sister Margaret to South Africa, where Percy was negotiating for a small house and property called Millers Point, beautifully situated on the sea near Simonstown. On March 27th the company which owned it offered to let him the house and grounds 'for six months from 1st November next' at a rent of £25 per month, 'provided it is not let in the meanwhile for a Concentration Camp, regarding which we have had inquiries, and for which purpose we would of course receive a much higher rent.' Luckily for everybody, including the British taxpayer who had to foot the war bill, hostilities were nearing an end; so the Moltenos got the place.

Percy  
visits SA  
after War

SpX

TL

At the end of March a letter from Frank Molteno told of the death of Cecil Rhodes. 'It has come suddenly,' he wrote, 'though he has been ill for some time.' Before

fr com

Millers Point bought ~~1903~~ 1902

the Raid Rhodes had been on friendly terms with the Moltenos, and some of them remembering better days regretted his death on political grounds, thinking that he might have tried after the war to remove the bitterness that had grown up between Dutch and English by furthering a conciliatory settlement and helping to get rid of Milner.

Carrie & James in London at moment of peace

Meanwhile Caroline Murray had arrived in England, and was in London with her brother James when 'the landlady came in to say that the bells were all ringing because Peace has been proclaimed. It was something they felt, that the policy of unconditional surrender had been abandoned and that the Boers had been promised representative institutions under the British flag after a period of Crown Colony rule, during which liberal financial assistance would be granted to restore the devastated territories.

Cape constitution under Thorne 1902/3

But the Federation of South Africa, the advertised goal, was made the pretext for an agitation which was now got up by the Loyalists at the Cape, with Milner's support, for the suspension of the Cape constitution. Against this movement Merriman, Sauer and the Moltenos put up a great fight. Percy had always urged his friends at the Cape to get into touch with the Australian Premiers and with Sir Wilfred Laurier on the constitutional issue. Sir Henry de Villiers, the Chief Justice, exerted himself and wrote a powerful protest to Sir W. Hely-Hutchinson, the Governor of the Cape Colony, against a letter published by the newspapers 'purporting to be addressed by His Excellency, Lord Milner, to yourself in support of a petition for the suppression of the Parliament of this Colony'. This letter, dated June 3rd, was forwarded to the Colonial Office, and de Villiers followed it up with letters to Chamberlain Asquith and Sir Wilfred Laurier. It happened fortunately that a Conference of the Colonial Premiers was then meeting in London. Seddon of New Zealand and Hime of Natal, both jingo Imperialists, proposed a resolution favouring Milner's policy for the suspension of the Cape Constitution. Sir Wilfred Laurier thereupon declared that if the motion were carried Canada would leave the Conference. He was supported by Barton for Australia and by Sprigg, who was still Premier at the Cape and was now at last in revolt against Milnerism. This proved decisive. Chamberlain refused his assent to the policy of suspension. He hoped that the meeting of the Cape Parliament far from being attended by the disastrous consequences foretold by Lord Milner would on the contrary justify the confident expectations (to be speedily fulfilled) of Sir Henry de Villiers that it would 'astonish its detractors by its patriotism, loyalty, and self-restraint'. Luckily there were enough moderates, both English and Dutch, to prevent the extremists wrecking the progress of reconstruction.

Canada opposed

Peace prospects and the expectation (soon to be bitterly disappointed) of great mining prosperity on the Rand had created a speculative boom in the land and mining shares held by Sir Donald Currie and the Molteno

Percy, Currie & benefit from soaring land prices in wake of peace

family, which led to much correspondence between the brothers and supplied a further strong reason for Percy's projected visit to South Africa. Frank, the surveyor, wrote on May 13th, when peace was practically certain: 'Land everywhere is still rising in value.' His salary had been raised, and he was in good spirits.

acc

Percy's  
Catarrh

Percy had been suffering from catarrh, but in April his friend Sir Lauder Brunton operated on his nose with good results. In August, before leaving for the Cape, he took a short holiday at Pontresina and his health was fully re-established. At this time he contributed to what was called the Herbert Spencer-Steyn Fund, as a result of which a cheque for £1,750 was sent to Mrs. Steyn. Her husband, the ex-President of the Orange Free State, had lost health and eyesight in his heroic struggle for the independence of the Republic, against which England had no cause for complaint except that it fulfilled its treaty with the Transvaal.

P.S.  
General

Without doubt the many acts of kindness and generosity performed during and after the war by English sympathizers like Molteno did much to soften the bitterness of the Boers (as well as of the Cape Dutch) during the three years from 1903 to 1905; and the true Liberals had their reward when Sir Henry Campbell-Bannerman came into power with a great majority, and restored self-government to South Africa by an act of magnanimity and far-sighted wisdom for which it would be hard to find any parallel in modern history.

1906  
Self Gov  
restored

When peace came, Percy Molteno was naturally eager to revisit his family and friends in South Africa, and to see for himself the damage that had been wrought by the war, as well as to judge how far, and by what means the social, political, and economic fabric might best be repaired. So far as business and investments were concerned, he was acting also for Sir Donald Currie, and for the Castle Line. One of his first letters home was one introducing a future Prime Minister to John Morley. It ran:

I have just arrived here from London, and have met Mr. J. R. MacDonald, the Labour Secretary, who has been through the Transvaal and Orange River Colony, where he has seen much with his own eyes, and has conversed with the authorities as well as with both sides. You may like to hear from him what he has seen and heard, and he will write to you on his arrival in England.

The movement among the extreme Milner Party at the Cape for the suspension of the Cape Constitution had come to nothing. The Suspensionists, he told Morley 'are nowhere. They have not dared to put forward a single candidate for any of the eight or ten vacancies, not even in Capetown'. At the same time he informed his friend Frederick Mackarness that the Cape Parliament was sitting, and all the South African Party very cheerful. The Suspensionists movement had only served to segregate the extremists, and expose their want of ability. 'It is quite clear that they hold a brief for Milner, and not for this colony.' The Dutch were acting with moderation. There was evidently a desire on the part of the Imperial authorities at the Cape, apart from

m  
k

Milner, to get on friendly terms with the South African Party; and, he added, 'they are specially polite to my brothers.' There were many questions connected with the settlement and with carrying out the peace terms which needed watching. Milner had started friction between the Transvaal and the Cape, and had issued a decree which practically excluded Cape wines from the Transvaal. To Captain Sinclair, Sir Henry Campbell-Bannerman's trusted lieutenant, Percy wrote from Sandown, Rondebosch on October 23rd, 1903.

Milner's letter in favour of degree

or 1902  
TL

'We have been here a week, and are settling down quite comfortably. We had an excellent voyage, and the climate is very pleasant. I find feeling here much improved. The personal relations between leading politicians have been restored, and moderates have coalesced very much. The Suspensionist movement has wholly collapsed. The men put forward by Milner have shown themselves completely unable to meet the other side in debate, or in tactical management. The Governor [Sir W. Hely-Hutchinson] has become very polite to my brothers [Charlie and James]; so the order must have gone forth to conciliate the S.A. Party. As it is, they have it all their own way, and Milner's hostile and vindictive policy towards the Cape is giving them more influence every day. However, I am sorry Sauer attacked Milner yesterday, as it is sure to be magnified and misrepresented on your side.

After referring to the monstrous acts of injustice perpetrated under martial law, of which he was sending details to Sinclair he added that the moderation of the Dutch seemed really wonderful, when you see how they have suffered'.

A week later he had to confess that he was making but slow progress in ascertaining the character and extent of the distress in the two new colonies or the best method of alleviating it. Now I see Chamberlain is coming out. 'I suppose he is puzzled. Probably Botha and others have shaken his faith in Milner.' In November and December he was hearing from Mr. W. M. Crook, about possible constituencies in England, where the pendulum had begun to swing in favour of the Liberal Party; but he answered:

TL 1903

Berg wants a Scottish seat  
TL Trip 7 mths

I have made a point of undertaking no political engagements while I am away; and I am rather bound to the Scottish side if I do come forward. Hence I could not consider Southampton at all at present return about May.

He sent a similar answer to Tom Wintringham with regard to Grimsby.

On the last day of the year he wrote to the distinguished Boer general who was in due course to become the first Premier of a united South Africa:

Percy's gift to Botha  
Dec 1903

Dear General Botha,

Enclosed please find my cheque for £750 in accord with our conversation yesterday. Of this I would like that £250 should be used for the education of the sons of your officers. The balance of £500 you can use as you think best; it is to be entirely at your disposal. I

Her back  
some!

2

trust that the year which begins tomorrow may open a happier chapter. With best wishes for yourself, and your efforts for the good and happiness of your people. Believe me, yours very sincerely,  
P. A. Moltano.

While he was in South Africa the Conciliation Committee in England was being dissolved, and Moltano wrote to its devoted secretary, Mackarness, asking for a complete bound volume of all the pamphlets that had been issued. He was not sure whether a new committee should be formed in connection with the carrying out of the peace terms.

No one here [he remarked] likes to admit the possibility of any interference from England in the internal affairs of this colony. I don't say they are right, but that is the attitude. Chamberlain's progress is the great event of the moment, and his speeches on the whole are not unsatisfactory.

Moltano was especially pleased with a discourse at Maritzburg, in which the Colonial Secretary had urged that all nationalities should unite, and that past animosities should be forgotten. The question was what steps he would take to attain this. Would he grant an all-round amnesty; and would he remove Milner, who was so closely associated with the animosities of the past, and author of the 'monstrous Peace Preservation Ordinance, which placed people in the new colonies at the mercy of the executive, maintained the censorship in time of peace, and denied the right of the people to criticize the Government. He had seen the two Generals (Botha and de la Rey) on their arrival here:

They were rather sanguine of doing a good deal with Chamberlain. . . . The great thing is that Chamberlain has declared for conciliation, and not for Milner's policy of race hatred and land expropriation.

Maria's death

Milner, however, was still pursuing 'his miserable policy of petty tyranny', and was preventing burghers from returning to their homes in spite of the peace terms.

At this time Percy's sister Maria Anderson was very ill, and seemed to be on the point of death. Percy visited her to say good-bye, and wrote a beautiful letter, penetrated by the deepest feelings of brotherly love and affection, to his sister Betty, who was at her school in Port Elizabeth. Two ministers of religion had been pressing her husband to be allowed to administer the last sacrament:

I am glad to say that Tom refused. Maria, he said, had expressed no wish for it, and he did not think she could endure the strain. I am very glad he held out, as it would be most cruel to inflict on her such an ordeal in her present condition ; and it is wholly unnecessary. If she asks for it, that would be another matter ; and she would do so if she wanted it. I am glad Tom has protected her from these well-meaning but inconsiderate and unwise people. Her life needs no sacrament. It has been one long consecration to all that is best. She has been an angel on earth, of brightness and sweetness and light, to all around her. If there is a reward for this, she has fully earned it in every sense.

Maria's personality

We shall be left behind with another great sorrow in our hearts, a part of us gone, a great void, and we must just go on doing what good we can, and giving what happiness we can, until we too flicker out into the unknown silence.

Quora

Maria felt sure she was dying and said a last good-bye. The tenderness of the parting is told in words which reveal the depth and warmth of Percy's heart.

Percy's war

How sad [he wrote in conclusion] that the body will no longer house such a splendid spirit, made of such wondrous material. She had, what we all share, the great love of freedom; and latterly the restraints on her movements and actions generally have become very irksome to her.

A wonderful rally followed and his sister lived for some time longer. In January the family removed to Miller's Point. They liked it so much that Percy, before the end of their stay, bought it and began planting the land round the house with vines, oleanders, myrtles and many other shrubs and flowers.

Miller's Point

TL  
1903

3/X  
During January, 190~~X~~, he was busily engaged in discussing South African questions with the Cape politicians and with the Boer generals who had now returned from London to South Africa in order to be on the spot during Chamberlain's tour. He was thankful, as he wrote to Mrs. Courtney, that Chamberlain was not endorsing Milner's policy of keeping up the race hatred, and keeping down the Boers, by placing English newcomers on the expropriated soil of Boer land-owners. That was satisfactory, and so was his declaration that British officers' receipts were as good as bank-notes, and must be paid in full. But would he allow Milner and the censorship to remain; would there be a full amnesty; would British justice be restored in the new colonies?

We shall see. I have advised all the S.A. Party to meet him, and I believe they will do so. . . . All Milner's prognostications as to the evil results of the meeting of the Cape Parliament have been falsified. The Dutch behave with wonderful wisdom and moderation. They desire to unite with the moderate English in the true interests of the country and against extremists with particular objects like the Rhodesian and De Beer's section. . . .

Dutch  
Moderation

. . . I have been unable to go into the new colonies as yet, but hope to go before I return. The discontent at Johannesburg is very great. The Crown Colony system retains all its evil ways, and will quickly bring trouble.

Politics at home were not forgotten. He rejoiced that the Liberals had won a by-election at Newmarket, and hoped that it signified (as it did) a real change in public opinion; but his energies were devoted mainly to the relief of suffering and destitution. To a correspondent in Bloemfontein, who asked for money to help a brother he wrote 'I have just given £1,000 to be used for instruction and other purposes in favour of those who have suffered by the War', and he had also promised to support another fund from which perhaps assistance might

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39373 Moltano 303

be given to the brother. In some respects things were improving; and before the end of January he saw Wallace and found him much more cheerful about his farm than might have been expected.

1903  
TL

Witt  
p  
sees  
Wallace

On January 3rd he wrote a letter of 'enormous length', as he said apologetically, to his friend Captain Sinclair, describing Chamberlain's visit and the disappointing change of tone shown by his later speeches, especially in the Transvaal, after he had met Lord Milner. Another matter of 'very evil augury' was his statement on the important question of native labour in the mines. 'Having sacrificed the Dutch to the greed of territory he is now ready to sacrifice the natives to the greed of gold.' The idea of forcing the native into the mine, at half the wages paid before the war, inspired Moltano with wrath. Chamberlain's latest speeches looked like mere echoes of Milner's opinions, while Dr. Smart, the head of the South African League, had now actually described Milner as the leader of his party in the colony in succession to Mr. Rhodes.

Perry  
opposes  
forced  
labour  
SA Milner

TL

Milner's  
misgovernment  
of Transvaal

The suppression of public discussion of public affairs in the Transvaal reminded Moltano of Russia, but the discontent of the Outlanders on the Rand (expressed at Milner's private luncheon table) had leaked out, and the bubble of improvement and prosperity under the new regime was known to have been pricked mercilessly in the presence of Chamberlain. Demands had been put forward for a reduction of taxation in the Transvaal, and the customs revenue ought to be reduced as the whole country had to be restocked. The new Town Clerk of Johannesburg, who had had no experience of municipal government, except as secretary to Lord Welby for a few months, was receiving £1,200 a year, and magistrates who knew neither Dutch nor Dutch law were receiving £800. Lord Milner's salary was £11,000 and grand residences were being provided for him and his staff. The unofficial members of the Pretoria Town Council had resigned because the new Town Clerk had been appointed without consulting them.

How [he asked in conclusion] are we to have peace and a settled state of things when Lord Milner, who is allowed to carry on these intrigues, is openly proclaimed head of a political party which has just elected Jameson its official President at a Congress where the Raid was cheered and proclaimed one of the bravest acts in history?

A question from Sinclair about Sir James Sivewright elicited the following opinion:

He has a good manner, and is a good business man. He has the reputation of being ready to take the side which will most advance his own interests. The best-known scandal connected with him was the giving of a contract to a friend, who was at the time, or had been, his partner, for the supply of refreshments on the railways, while Sivewright was the Commissioner of Public Works, and so Head of the Department. The contract was considered so disadvantageous to the public that it was broken by the Government, or, I think, the Parliament. Merriman, Sauer, and Innes, who were members of the same Ministry were so

scandalised that they resigned over it. But Rhodes, who was Premier, supported Sivewright, retaining him in the Ministry. . . . When one sees a man like Rutherford Harris received into the bosom of the Conservative Party, it is clear that the standard of character exacted for Party and political purposes is not high, and Sivewright could attain it.

Personally, Sivewright is pleasant to meet, and he has always been most courteous and polite to myself. I may say that he did his best to avert the war. . . . Since I wrote last, Chamberlain has done a little to soften his previous attitude. He says the more he sees of the Boers, the more he likes them; and he has let some of Milner's exiles (Fischer, etc.) return. . . .

The attempt to make the natives work underground at 1s. a day has failed; now they are to be asked to work for eighteen-pence a day, while they are getting at Capetown and elsewhere 4s. 6d. a day; and no white man will work in the mines at 5s. a day. I am very sorry to see the Westminster Gazette taking up such a complacent attitude to the iniquitous demands of the capitalists, so contrary to justice and fair-dealing.

Kind remembrances to Sir H. C-B., if he remembers me.

Wage Dis.  
£50 pa (=)  
Mines?

Percy des  
Campbell  
Secretary -

This attempt to defraud and oppress native labour by the mine-owners in the Transvaal excited bitter indignation in Molteno's breast. When roused, he did not content himself with private explosions, but set to work diligently to combat the mischief, plying influential friends with arguments and statistics. In a letter to Fox Bourne, of the Aborigines Protection Society, he deplored the terrible reaction they were witnessing from the high ideals of the early and mid-nineteenth century.

Percy always

You will have read with dismay, though without surprise, Mr. Chamberlain's speech at Johannesburg, in which he clearly indicates that the native is to be sacrificed to the greed for gold, just as the two Republics have been sacrificed. After what has been permitted in Rhodesia, I have no hope that any restraining influence will be exercised by the Imperial Government or its representatives here. The native was getting 2s. a day at the mines before the war. He has been receiving 1s. since, and as he does not care to work there at such a wage, he is to be coerced by taxation.

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Observing in the cables from England that Sir William Harcourt, the veteran Liberal leader, had taken up the subject, Percy sent him also a letter. 'It is clear,' he wrote, 'that Chamberlain proposes to coerce the native to work in the mines by the pressure of taxation.' There was 'practically a tacit bargain that if the capitalists would help him with a war loan, he would let them do as they please with the natives'. The mine-owners pretended that it was a kindness to the native women to take the men away from their farms in the country.

On this, wrote Molteno,

the story told of the slavery of the women is absurd. The men work with the cattle, sheep and horses; the women hoe the ground. . . . The mine-owners, I am told, prefer native or Asiatic labour, as it is more amenable to manipulation and does not take part in politics or strikes as white labour does.

As for the poor destitute farmers, there had been a stormy meeting at Bloemfontein with de Wet and there was much discontent in both the new colonies.

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The fact is that the faults of Crown Colony rule are what they have always been. Important officials are wholly out of sympathy with the population, not understanding their language, customs or history. It will never work.

To Sinclair he wrote that Chamberlain had done good by allowing Fischer to return and in this matter overruling Milner; but he had made a mess of his interview with de Wet, by attempting to make out that the grievances brought before him were mere lawyer's quibbles; and he had been very unfair to Hertzog. He thought it an insult to the Dutch 'that the so-called Progressive Party was now proposing to make Dr. Jameson their leader'.

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To Sauer, one of the leaders of the Opposition in the Cape Parliament, he sent on February 12th an ingenious argument against Milner's financial and fiscal policy, as being likely to throw new obstacles in the way of South African Federation. The taxing of Cape wines and brandies would make free trade between the colonies more difficult, and the saddling of the Transvaal with a debt of £6,000,000 without the assent of the inhabitants would be another embarrassment, for a Federal Government would not be likely to take over such a debt.

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At this time, Mr. and Mrs. Molteno undertook the cost of maintaining and educating two boys, and promised their father that they would take a real interest in them and their future career, a promise, which, needless to say, was amply fulfilled. In the middle of March he left Miller's Point for a visit to the Transvaal, the Orange River and Natal. On his return he found a letter from Dr. Stanton Coit, and wrote to him (from Miller's Point,) Simonstown to disabuse him of some natural errors:

Understand  
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You are evidently unaware of the terrible misery and suffering here. I know how difficult it is for the imagination to carry over 6,000 miles; and you no doubt share with the majority in England the idea that, as you are weary of the South African question, and have quite benevolent intentions, therefore all is well, and you need trouble yourselves no more. I, on the other hand, have just seen the roofless dwellings gaping up to heaven, and their poor owners in speechless misery, living in some hovel or tent nearby — their crops ruined by drought or frost, and winter fast approaching; no money to buy warm clothes, or any clothes at all, and the children (10 or 12,000 of them in the two states) in large measure orphans. Three years ago those two states were happy and prosperous.

Perry's  
War zones

So much for his correspondent's cheerful belief 'that the troubles in South Africa are settling themselves'.

At Bloemfontein, so he told Sinclair, he had seen Abram Fischer, who had recently arrived and was struggling with the authorities to get back some remnant of his property. The poor people were having a terrible

time owing to the great drought which extended throughout the Orange River Colony, and over Cape Colony as well. The cost of feeding and clothing the people during winter would be very great owing to the distances to be traversed. He would, however, be able to describe the conditions verbally, as he and Mrs. Moltano expected to be back at Palace Court towards the end of May.

Percy in SA  
c 6 notes

Thus his long visit to his old home came to an end; but though he soon plunged into home politics, his interest in South African developments remained unabated. On June 26th in reply to a long letter from his friend Fischer at Bloemfontein, he showed that mastery of public finance which added so much to his value in public life. The ignorance or neglect which characterizes most politicians is at first sight surprising. Public accounts are no more difficult than private accounts. The blunders of a Finance Minister are no more difficult to detect than those of chairmen or promoters of companies. But that which is everybody's business is nobody's business. The duty of safeguarding public credit, of preventing public waste, of defending the interests of tax-payers or rate-payers is recognized by very few, and those few seldom possess the diligence and zeal with which Moltano applied his knowledge of private business and private finance to the budgetary problems of Britain or South Africa. On this occasion he wrote:

Percy a friend  
of Abram Fischer

I am glad to see that the President of the Chamber of Commerce [at Bloemfontein] has called attention to the manner in which your railways have been taken over. There is, however, a point which has not been touched upon, and that is the immense proportion of the Loan which you will practically be paying, as the profit from your railways is to be used to secure the interest on the Loan. Sir H. Gold-Adams (Lieut.-Governor of the Orange River Colony) told me that this profit amounted to £1,000,000 sterling last year. Lord Milner estimates the whole profits at £2,500,000 to £3,000,000 a year on the Joint Railways. If that be so, you will be paying at least one-third of the interest on the £65,000,000 Loan. Yet Mr. Chamberlain has said that the Orange River Colony is paying nothing, and I see a special Ordinance has been passed to mortgage your future mines. This seems to me extremely unfair treatment.

Then he went on:

South African matters in this country are at a discount. Everyone politically is occupied with the question of Free Trade, Preferential Treatment, and Retaliation; and the dust of this conflict is meant to obscure contemplation of the enormous cost of the South African War, of the troubles caused by the Education Act, and of the inefficiency of Mr. Brodrick.

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Chinese Labour Question

However, South African affairs would come up for discussion in connection with the South African Loan Bill, and Percy promised that he would see what could be done to throw more light upon the subject in the House of Commons. He was very pleased that the Cape Parliament had passed a strong resolution against Chinese labour — so he wrote in a letter to his brother Charlie, July 3rd, 1902, which was chiefly devoted to the planting of Australian myrtles at Miller's Point, where he hoped that his brother would stay with his family rent-free from time to time. The place, indeed, for many years became a guest house which Percy placed at the disposal of his brothers and sisters whenever they wanted a change to the seaside.

TL

Miller's Point

death of eldest son

A terrible blow befell Percy and his wife in the illness and death of their oldest boy, Charlie, which brought their visit to a tragic end. They took him home and buried him in the churchyard at Fortingal, where his name is inscribed on the stone that records the death of his father and mother.

Charlie

1 Dec 6

After his return Percy suffered a severe attack of asthma, a malady which from time to time tortured him for the rest of his life, chiefly in the form of hay-fever in the early summer. A friend who met him at Wilfred Blunt's Arab sale in July sent him a prescription against hay-asthma — one of many which he tried. Some gave temporary relief, but he never shook off the complaint, though Coué, many years later, gave him a temporary respite.

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Here we may conclude this chapter and turn our attention from the Cape to home affairs; for in August, 1903, Percy was embarking on politics and negotiating with the constituency which a little more than two years later was to return him triumphantly to Parliament.

TL

M. Coué's help

The visit to South Africa had been of the utmost value. It had given him a thorough grasp of political and economic conditions after the war. From this time onwards until 1908 he acted as honest broker between Campbell-Bannerman and the South African Party. He was trusted and consulted as a disinterested and independent authority. He was more than a match for the Milnerites, and his influence was all the greater because he had no axe to grind and no personal ambitions.

buy or sell CB

Dunfermline

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CHAPTER XX

CANDIDATE FOR DUMFRIESSHIRE

Very wants  
Scottish seat

SOON after his return from South Africa, Moltano entered into serious negotiations for a constituency. There were several reasons why he should prefer one in Scotland. He had been born in Edinburgh; he had been married in a Scottish glen to a Scottish wife; he was a strong supporter of Sir Henry Campbell-Bannerman and was backed by C.-B's. secretary, Captain Sinclair, who was then acting as Scottish Liberal Whip. That Moltano's choice fell upon the county of Dumfriesshire, then represented by a Tory, was partly due to Sir Robert Threshie Reid, the Liberal member for Dumfries, who had become Attorney-General in Rosebery's administration. Reid had taken up a strong line against Chamberlain after the Raid, and had come to rely upon Moltano for information and guidance on South African questions. He told me, I remember, early in 1904, that he hoped so to arrange matters that Moltano would stand for the county. When, therefore, the Dumfriesshire Liberal Association approached him in the summer of 1903, Moltano was quite ready to come forward. It happened that an able solicitor in the town of Dumfries, Mr. James H. MacGowan, was Liberal agent for the county; and thenceforward through three General Elections first as candidate, then as member, Moltano relied upon MacGowan to look after his interests in the constituency. The negotiations went smoothly, and on August 25th, 1903, Moltano informed MacGowan that his discussions with Captain Sinclair were now closed,

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and I have telegraphed to him that I will accept the candidature if I am invited - that is if your General Committee endorses the invitation of the small committee which I had the pleasure of meeting. I was very pleased with what I saw and heard of your people, and think we would get on well together.

At the same time he wrote, telling of this development to Sir Robert Reid, whose reply ran as follows:—

*Kingsdown, Dover,  
August 26th, 1903.*

Dear Mr. Moltano,

I am extremely pleased to learn you have accepted the proposal of the Sub-Committee. They are the leaders of the party, and there is so sort of doubt the Liberals of Dumfriesshire will repeat their offer. I feel myself that at so critical a condition of public affairs it is very important that you should be in Parliament and there is no constituency which will prove a more friendly or encouraging support to a true Liberal in the coming election than Dumfriesshire. I cannot say that I know the county politically as the men you met know it, but it has always been inclined to Liberal opinion, and I look forward to the next election with high hopes.

I shall be very glad to talk over any local questions with you. The only one I know of moment is the fishing business which effects few, but does involve one important point of justice. I am quite sure you will take the

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view I have always supported, simply because it is undeniably the just view. About 17 or 18 September we shall be drifting north to Dumfries, and shall be very glad if you are there to meet and talk all things over. I will do everything I can to support you and am most heartily glad you are to come to our parts. I fancy you will be there for many years, and will come to like the people as they deserve.

Yours sincerely,

R. T. Reid.

Sir Robert Reid's hopes and predictions were fully born out by events. On September 11th Percy reported to his brother, Charlie, a satisfactory meeting of the General Committee, at which he was selected as prospective candidate for the Division.

That politics were in Percy Molteno's blood no one can doubt who has read the story of his life up to the end of the South African War. Brought up in a political household, he was accustomed as a boy to hear his father, then responsible Premier of a self-governing Colony, discussing state affairs with vigour, and often with vehemence. At Cambridge his intense interest in the Cape continued, but his outlook widened as he began to understand party politics at Westminster, and the problems which then divided the Liberals under Gladstone from the Conservatives under Salisbury. The rise of Chamberlain as Radical leader and of Lord Randolph Churchill as a Conservative demagogue, the one challenging Gladstone and the other Salisbury, seemed likely to hasten a new era of social reform. But in 1886 Gladstone's conversion to Home Rule extinguished the Radical programme, disrupted the Liberal party and converted Conservatism into Unionism. This issue remained the dividing line between parties until the Boer War turned the attention of the country to Colonial and foreign politics. Then, after a period of weakness and distraction the Liberal Party gathered new strength under Campbell-Bannerman and formed a united front to resist Chamberlain's Tariff Reform proposals. Molteno's opposition to the Boer War and his mastery of South African problems had commended him to Campbell-Bannerman, Morley, Bryce, Sir Robert Reid and other Liberal leaders who represented the Gladstonian tradition as against Liberal Imperialism. His knowledge of political economy, united with practical experience of shipping, made him a powerful exponent of free trade, and at the same time his keen scientific interest in agriculture enabled him to launch a popular attack on the land monopoly in his Dumfriesshire campaigns.

The moment was propitious; for in 1903 the political pendulum was swinging back from the spirit of war and reaction to liberal ideals of peace and progress. Many who had supported Chamberlain in 1899 turned against him and lent a ready ear to candidates who urged that a policy of conciliation, which would restore self-government to the Boers and heal the racial animosities provoked by the war, should be entrusted to the Liberal Party under Campbell-Bannerman. At the same time the fiscal issue, old age pensions and other social reforms were pressing Home Rule for Ireland into the background. A glance at Sydney Buxton's *Handbook to the*

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*Political Questions of the Day* shows what a change had come over the political scene since 1899. In the eleventh edition (1903) Buxton's preface states that all the sections of his previous edition had been revised or rewritten. New sections had been added on Protection, Colonial Preference and Retaliation; Parliamentary Reforms now included women's suffrage and the House of Lords; the problem of Church disestablishment and disendowment claimed considerable space, the eight hours' day for miners, along with proposals for a general reduction of working hours, had come to the front. Then there were the questions of religious education, temperance reform, graduation of the income tax, taxation of land values. All these an intelligent candidate had to make up his mind about, and Molteno soon showed the hecklers that he was well armed for the fray. Their arrows seldom found a joint in his harness.

Half a century before Percy wooed the constituency a topographer described Dumfriesshire as a county in the south of Scotland about fifty miles in length and thirty in breadth, bounded on the north by Lanark, Peebles and Selkirk, on the east by Roxburghshire and English Cumberland,<sup>1</sup> on the south by the Solway Firth and on the west by the county of Ayr and the stewartry of Kirkcudbright. Before Presbyterianism was established in Scotland, the county belonged to the diocese of Glasgow; afterwards it constituted the greater part of the synod of Dumfries, comprising several presbyteries and forty-two parishes. Dumfries, the county town, with Annan, Kirkcudbright, Lochmaben and Sanquhar, formed the Dumfries Burghs and returned a member to parliament, while the county (which included the small towns of Moffat, Lockerbie, Langhorne, Ecclesfechan, Thornhill and Minniehive) had also returned one member since the Reform Bill of 1832. The Dumfries Burghs had been a Radical stronghold ever since Robert Reid won the seat in 1885, and his friendship was all the more valuable to our candidate as his family had a small estate in the county.

In spite of the influence of the Duke of Buccleuch, a potentate whose neighbouring seat was a centre of hard and unbending Toryism, Molteno found support among the farmers, many of whom were descended from the old Covenanters, and still more among the agricultural labourers, shepherds, handicraftsmen, blacksmiths, etc., who responded to the cry for land reform and smallholdings, of which Percy became the ablest exponent in Scotland.

In the county town of Dumfries, where he usually stayed when visiting his constituency, Percy Molteno found much of historical interest. It was at the Greyfriars Convent that Robert Bruce slew Comyn, and on Castledykes is a stone bearing the inscription: 'King Robert the Bruce on February 10th, 1306, captured the Castle of Dumfries, which occupied this site, and so

<sup>1</sup> 'Bob' Reid, who took his title of Earl Loreburn from the burn of that name which runs through the town, used to tell me that the Dumfriesshire people and their dialect were closely connected with Cumberland and had perhaps more in common with it than with the Scottish Lowlands.

began the war which vindicated Scotland's independence.' The Midsteeple of Dumfries, once a court house, was the scene of Effie Deans' trial, immortalized by Sir Walter Scott in the *Heart of Midlothian*, and it is through the gateway of Dumfries that travellers visit Galloway and the Solway Firth to search for the castles and the smuggler's caves and treacherous morasses of *Redgauntlet* and *Guy Mannering*. Nor was Percy allowed to forget that Robert Burns, one of his favourite poets died at Dumfries in 1796, or that in the previous year Carlyle was born at Ecclefechan. Lastly, to his wife brought up in a Highland home there was a special object of interest in Dumfries - the fine old panelled room of the County Hotel where Prince Charlie held a council of war in December, 1745.

Percy had a great electioneering asset in a local newspaper, *The Dumfries and Galloway Standard*, whose able leader writer Thomas Hunter Watson, soon became a faithful friend. Though most of his leading supporters have passed away it is only right that the names of David Pattison, Nigel Macmillan, Provost Halliday and the two Kirkpatrickes of Thornhill should be placed on record.

But for sound advice about local politics and agriculture it was on Mr. Matthew Wallace, now Sir Matthew Wallace, a practical farmer famed as a grower of seed potatoes, that Percy Moltano came to rely most of all. Wallace lived at Terregles town on the other side of the Nith in the neighbouring county constituency of Kirkcudbrightshire, which was being contested in the Liberal interest by another friend, Major Gilbert McMicking. From this time forward Wallace and Moltano were in constant consultation, especially on the land question which had many local complexities. It was largely by their cooperation with Captain Sinclair, after he became Secretary for Scotland in Campbell-Bannerman's Cabinet, that the Land Reform Bill for Scotland, which constituted Moltano's most important constructive work in Parliament, was carried through.

It has been my good fortune to hear at first hand from Sir Matthew Wallace about Moltano's candidature and his qualities, as well as about the opposition he had to overcome. His success was not at all due to the minor arts usually employed by candidates. He made no attempt at personal canvassing, never resorted in kind to personal attacks, never abused his opponents or indulged in cheap witticism. At the village meetings he was always polite, friendly and courteous. He prepared his speeches very carefully, and usually had something new to say. He was thoroughly up in all the questions of the day, and speedily won the respect of intelligent electors.

He was not exactly a popular speaker; for he seldom laid himself out to amuse an audience. But his powers of observation, his interest in agriculture, his knowledge of colonial and foreign policy, his command of facts and figures and his scrupulous veracity told more and more, until people came to feel that they would have in him a fine representative, high-principled, devoted to good causes, and intent upon justice for all. No flatterer, but a wise and sympathetic friend of the working classes he

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Percy's  
Political  
Style

Not a  
popular  
speaker

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assessment

stood forth as a realist with ideals, an economist with morals, a diligent searcher after truth whose conduct was always inspired by generous instincts and controlled by common sense.

His wife did not like electioneering; she was shocked and disgusted, as she well might be, when vulgar abuse was hurled at him by low fellows in the constituency. They even had the impudence to pretend that he was an Italian adventurer, who had come over with a barrel-organ and a monkey! These slanders recoiled on his Tory opponents when it became known that his father was first Prime Minister of Cape Colony, and that through his mother he was connected with one of our greatest Admirals. Nor did his opposition to the Boer War detract from his popularity, though his opponents tried to make it an imputation on his patriotism and even spread an idiotic report that he flew the Boer flag on Mafeking day.

It is not surprising that a sensitive wife with a temper of her own bitterly resented all this scurrility and took a dislike to politics.

Of Percy's candidature for Dumfries and his work as a Member for the County Sir Matthew Wallace has written to me as follows:

When Sir Robert Reid's seat for Dumfries became vacant on Reid becoming Lord Chancellor Loreburn in November 1905, the Dumfries Burghs constituency fell to John Gulland, one of the Liberal Whips. Molteno contested the County - a much more difficult seat to win, as the four Royal Burghs of Dumfries, Annan, Lochmaben and Sanquhar, in which liberal opinion prevailed, were excluded.

The County seat in 1906 was held by a Conservative, and Molteno had a powerful and wealthy territorial influence to contend with. It is perhaps not surprising that he won the seat in 1906 in the general turnover; but it was a great feat to have held it with undiminished majorities in the two 1910 elections. It was plain that he had gained enormously in public esteem. He paid his hearers the compliment of carefully preparing his speeches, which were full of information and political wisdom. Every day he had a perfectly fresh speech, and for this reason he got a good press. Hecklers and tried questioners could not prevail against him. He knew far more about the subjects of their questions than they did themselves.

He encountered every kind of petty abuse. He was denounced as a pro-Boer who used their flag! His Italian name and ancestry were exploited; but he never took the slightest notice or attempted to retaliate in kind, preferring to pursue a steady course of political instruction and elucidation. His methods told in the long run, and opposition of the baser sort was discomfited. He made no attempt to nurse the constituency in a fussy sense. At the outset he made it plain that he was opposed on principle to the sort of campaigning which meant attendance at every parish fête or sale of work; and he would make no contributions to anything that savoured of a bribe for votes.

It must also be said of him that he proved a highly successful and trusted Member of Parliament.

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In another letter to Percy Molteno's daughter, Mrs. Margaret Murray, Sir Matthew Wallace wrote :

My association with your father in agricultural affairs related mainly to the political side. When Sir Henry Campbell-Bannerman became Prime Minister and appealed to the country, he concluded his speech at the Albert Hall with the memorable words: 'We are resolved that the land of this country shall no longer be the pleasure ground of the rich but the treasure house of the nation.' Nothing in my time so completely caught the imagination of the people both rural and urban; and it instantly became a slogan of which Molteno made full use. In all his election addresses he pressed this home. I had long been interested in Land Reform, and for some years had been making public advocacy of it in the Chamber of Agriculture. It was natural therefore that we should collaborate, and we became I think mutually helpful to each other.

In September, 1903, the month following Molteno's adoption as candidate, a political event occurred which seemed to presage an almost immediate General Election. On April 23rd Ritchie, a Free Trader who had succeeded Hicks-Beach at the Exchequer, repealed the shilling war tax on imported corn. Chamberlain had intended to use it as a lever for Imperial Preference, by keeping the tax on foreign wheat and remitting it on Colonial wheat. This rebuff was more than he could endure, and his visit to South Africa had made it clear to him that no honour or glory would attach any longer to the Colonial Office. He retorted on May 15th at Birmingham with a declaration in favour of Colonial Preference and retaliation, thus starting Tariff Reform; and when this blossomed into protection, it brought him so much support that on September 9th, 1903, he sent Balfour a letter of resignation, stating that as a Member of the Cabinet he could not accept exclusion of Colonial Preference from their programme. He had therefore resolved to devote himself as an outsider to the task of explaining and popularizing those principles of Imperial Union which he deemed essential. After a week's delay Balfour had to accept Chamberlain's resignation; but as he accepted Ritchie's at the same time, he was able to placate the father by appointing the son, Austen, to the Chancellorship. The Colonial Office was entrusted to Alfred Lyttleton, with the disagreeable responsibility of deciding whether he should yield to the demand of Milner and the Rand mineowners for the importation of Chinese coolies.<sup>2</sup> On September 18th, two days after the explosion, Molteno wrote to his brother James:

I think this will be bound to bring down the Government and expedite the appeal to the country which must soon take place. The result of the St. Andrew's election, announced today, enforces the lesson that Free Trade cannot lightly be tampered with.

He quite expected, as he told another friend, to see a general election before Christmas, and this impression seemed to be confirmed in October, when the slow-

<sup>2</sup> He yielded, and the Chinese Labour Ordinance was sanctioned in March, 1904.

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moving mind of the Duke of Devonshire came to the conclusion that a Free Trader could not remain in the Cabinet. 'The Duke's defection is very disastrous for Balfour', wrote Percy on October 9th, 'and we may have a General Election at any time, though I think Balfour will try to avoid it and trust to something turning up in the meantime.' He felt that Chamberlain's successor, Lyttelton, would prove 'a second-rate man'.

Those who thought that the Government could not last long had reckoned without Balfour, who held tenaciously to office for two years more, and employed all the arts of a skilful debater against a powerful opposition while he trimmed with delicate impartiality a doubtful balance between the Free Trade and Protectionist wings of his Party.

Percy, meanwhile, feeling that no time was to be lost spent half October visiting the small towns and villages of Dumfriesshire, where he had an encouraging reception. A stream of questions poured in upon him, some of which had to be handled warily. He told Disestablishers for example that he was entirely in favour of religious equality, and teetotallers that he was very much in sympathy with temperance reform but that, as no election had been announced, he was not receiving deputations. Clubs of all sorts and kinds – football, cricket, bowling, etc. – began to ask for subscriptions, but in most cases he replied that his position as a candidate was a delicate one and that he had been advised to refrain lest a wrong construction might be placed upon subscriptions of this character under the laws governing elections. Towards the end of November John Morley addressed a big meeting at Dumfries. The resolution, drafted by Molteno, thanked Mr. Morley for his address criticised the Government for its misconduct of the South African War, declared its unshaken attachment to the principles of Free Trade, and protested strongly against the proposal to introduce preferential and retaliatory duties into the fiscal system of the country. The meeting, wrote Percy to Charlie on November 27th, 'was a great success, and will be of great help to me in the constituency'.

As the sitting Conservative Member was not seeking re-election, the Unionists had adopted Balfour-Browne, K.C., a successful lawyer, but no politician, as their candidate. He had swallowed protection without digesting it and made a sad hash of Tariff Reform. On reading the local accounts of Browne's speeches Percy wrote to the *Standard* of Dumfries saying that his opponent's figures were 'very difficult to follow, as the report makes a terrible confusion of pounds weight and pounds sterling!' The hard-headed Scots soon discovered that Molteno's facts and statistics could be relied on, while his opponent proved a light weight in the controversy which Chamberlain's 'raging tearing propaganda, had provoked. When the private Tariff Reform Commission was appointed, Molteno wrote to Sir Robert Reid: 'Mr. Chamberlain's effrontery knows no bounds. I hope our leaders will not delay or hesitate to attack the appointment of his so-called Commission.' Happily on this subject the Liberal Party was united, and the Free Trade

Union promptly started vigorous counter-operations under the direction of Mr. Reginald McKenna, L. T. Hobhouse and a strong committee with which Molteno kept in close touch.

After the New Year, 1904, the newspapers supporting the Government began to prepare their readers for the importation of Chinese coolies to supplement native labour in the compounds of the Rand; but the best of them had not adopted the habit of cooking public opinion by suppressing letters of criticism, and on February 12th the editor of the *Standard* accepted a powerful and closely argued contribution from Molteno. It is an excellent specimen of his methods in controversy. Most politicians are content to follow the hasty summaries and superficial generalizations of hard pressed journalists. Molteno read the Blue Books for himself, interpreting them in the light of his own knowledge of mining conditions and of the information he was constantly receiving from trustworthy correspondents in South Africa. In this letter he set out the real causes of the recent shortage of native labour, and showed by quotations from local authorities that it was due partly to the reduction of wages after the war, partly to the bad food supplied by the mines, which had been described as 'unfit for horses or mules'. The lack of fresh vegetables accounted for the prevalence of scurvy, and the death rate was inordinately high. He himself had found in the previous year, when he was in South Africa, that in the ports of Cape Colony natives were receiving five shillings a day, whereas in Johannesburg (where everything was far dearer) they were expected to work at first for a shilling a day and subsequently for between one shilling and sixpence and two shillings a day, their food and lodging being found. The evidence of bad food and general ill treatment was borne out by the high death rate - 'every month between 500 and 600 natives died, a terrible proof of the correctness of the complaints'. He admitted that there was a scarcity of natives 'at the pay and under the conditions offered them, just as there would be a scarcity of men in London at a pay rate one-fourth or one-fifth that of the ordinary day labourer'. But this was no proof that there would be a scarcity under proper conditions and proper rates of pay. He wound up with the hope that 'the interests of these voiceless suffering natives would not be entirely overlooked'. As a result of the war they had been disarmed and taxes had been enormously increased. Now they were 'threatened with the competition of vast hordes of Chinese servile labour'.

This letter, which I have summarized briefly, provided material for Liberal speakers. Soon afterwards (on March 25th) in a letter to Charles describing the precarious position of the Government and their 'daily dread of defeat' Percy said: 'The feeling on Chinese labour shows no sign of abatement, and will eventually be their ruin.' A month later, after a week's speaking in Dumfriesshire, he wished the election might come off soon. 'as I think we should be able to give a good account of ourselves there'. By the beginning of May, however, he had revised his opinion about the probable lifetime of

Death  
rates  
Mines

the Government. They were playing for safety, and apart from accidents he thought they would survive the Session and so be able to postpone the election until 1905, as indeed proved to be the case.

At this time a report from representative native headmen was presented in a Blue Book to the Cape Department. It was a terrible exposure of labour conditions in the mines. One of the chiefs (Sipendu) said:

Native labourers are being sjamboked, beaten and ill-treated in many other ways by their European overseers and indunas; so much so that boys wish to call back the days of the Republic when the Boer dominated, stating that they were better treated then and received better wages for their work.

Conditions  
in Mines

This time Percy got the facts before Parliament.

If you look at today's *Times* [he wrote on May 6th, 1904, to his brother James] you will see a debate on the adjournment of the House regarding the treatment of the natives on the Rand. It was based on a Blue Book presented to your Parliament. For your private information I may tell you that I got a copy and drew Major Seely's attention to it.

Dr. Jameson had succeeded Sprigg as Premier of Cape Colony in the previous February. The Budget was in disorder, and Percy saw that the pruning knife would be needed to cut down extravagant increases of expenditure. He added:

The financial situation here is delicate. Consols are a weak patient and have constant relapses. It seems to me that, while the present war (between Russia and Japan) in the East lasts, we shall not have much advance in this stock, which is really the barometer of the whole stock markets of the world. The enormous wastage and expenditure now taking place on war will be the first demand on the money markets of the world; and until that demand is satisfied, other quarters wanting loans will have to wait. The effect of the South African war is of course the first cause of this state of things, which led as you are aware to a drop in Consols from 114 before the war down to 86.

The London market was then backing Japan, while Paris was financing Russia. At that time an income tax of more than a shilling in the pound seemed dangerously high. The Chancellor of the Exchequer and the House of Commons thought more of raising the income tax by a penny than they do now of raising it by sixpence.

At about this time (June, 1904) Barkly arrived from China at Delagoa Bay and proceeded to Johannesburg where he found letters of introduction from Percy to Botha, Rose-Innes, Solomon, Fisher, and others. He had just received his commission as Commander from the Admiralty, and told Percy that among his letters of congratulation 'The most welcome of all was yours'. Percy said he was to be sure to read the *Life of Gladstone*, which Morley had just brought out after four years of incessant labour.

Barkly visit  
JA

How strongly Moltano felt about Chinese labour appears from his resolve to sever his connection with the

Percy opposes  
to Chinese la

management of any mine which imported it. On September 14th, 1904, and again in October, he informed Sir Donald Currie that events had compelled him to reconsider his position as Director of both the Durban Roodepoort and Vogelstruis mining companies, since both had agreed to join the Chinese Labour Importation Agency, though they did not at present contemplate using Chinamen. 'Holding as I do that the importation of Chinese is a great evil and a great wrong to natives and whites in South Africa, I cannot any longer conscientiously remain a director of either company.' On November 10th he put on record his views about the economic as distinct from the moral and political aspects of Chinese labour in a cogent letter to his fellow directors. Their own General Manager, he reminded them had been to China and had come to the conclusion that they could wish for nothing better than native labour, though afterwards he had put forward an argument in favour of Chinese. Molteno then proceeded to show that in the New Comet Mine, which had begun to employ Chinamen, the Chinaman was drilling on an average 23 inches to the Kaffir's 36. 'Thus two Kaffirs are equal to two Chinamen.' The riots reported almost daily at mines where the Chinese were being employed proved that a satisfactory mode of treating these new labourers had not been found. Their own company had paid 100 per cent. per annum before the war, when only native labour was employed, and the supply of this labour was now increasing so rapidly that it would probably soon suffice for all the needs of the mine. To employ the proposed 1,150 Chinamen 'our Mine would have to make an initial outlay of £30,000'. He reminded his colleagues that he had proved right in opposing the reduction of native wages after the war, and the policy he opposed had now been abandoned. He now urged them to stick to native labour rather than 'throw out of employment the men who have hitherto given us the whole of the prosperity that has attended the working of our Mine'.

In spite of the slanders and libels which were being circulated against him in the constituency he treated Balfour-Browne as if he were in no way responsible. On learning that his opponent was about to proceed to South Africa in one of the Company's steamers he gave instructions that everything should be done to ensure his comfort on the voyage. Beside giving him a letter to the Commander of the *Briton* he wrote to the Union Castle Agents at Capetown and Johannesburg to 'introduce to you Mr. J. H. Balfour-Browne, K.C., who will be returning by one of our steamers within the next three or four months'. When a letter of thanks came, Percy responded:

It will give me great pleasure to make your acquaintance upon your return, and I heartily reciprocate your wish that there may be no failure of courtesy between us in the conduct of the political campaign.

But for the possibility of a general election, 'if the two sections of the Ministerial Party split', he would himself have run out to South Africa for a month at the end of 1904. The Prime Minister was still on the fence. The

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difficulties of his position gave scope to a mind naturally sophistical. To prevent a disruption of his party he had to maintain an attitude on the fiscal question which would keep Conservative Free Traders, as well as the larger wing of Tariff Reformers, within the fold. But neither political dexterity nor economic casuistry availed. In January, 1905, the Government was badly shaken by defeats at by-elections in Lancashire and London. Percy, however, did not expect an immediate general election

as Balfour will probably try to keep on in the hope of something turning up. He is in a miserable position. Chamberlain's agitation is not catching on at all. It is a one-man's show, though the money behind him and the Tariff Reform League is formidable and will do much harm.

In the spring and summer more and more by-elections went against the Government. In June Molteno spoke for J. E. Allen in the Chichester Division, where the ministerial majority was much reduced about the same time Noel Buxton captured Whitby. Though the Cabinet was tottering it did not fall. At the beginning of August, after a short visit to Dumfriesshire, where 'things looked well,' Percy thought a general election might take place towards the end of October. But Balfour preferred to resign so that Campbell-Bannerman would be left with the embarrassment of forming an administration with or without Lord Rosebery and the Liberal imperialists.

5X On November 24th, 1906, Percy wrote to Charlie:

You will have all the news we have here in regard to the break up of the Unionist Party and the prospect of an immediate Election, or rather an Election in January, when the new registers come in. I shall be glad to have it on, but of course I shall be very busy in the meantime. Chamberlain has treated Balfour as he has treated everybody else, and one cannot be sorry for the latter, looking to the miserable way in which he has played a game of Hide and Seek with great principles.

In the first week of December he had some very good meetings in Dumfriesshire.

The crisis [he wrote to Charlie and Frank] is of course exciting great interest. We expect to have the names of the new Ministry on Monday. It is a relief to have got rid of the old lot. Balfour's resignation came rather suddenly at the last. I would have preferred turning out the Government at the General Election, which I think must now be held in January.

Molteno was eager for the fray. Already in August he had prepared an election address and circulated a draft among his principal supporters. In November he had warned his agent James MacGowan, that they must be ready for an election early in 1906. He had spent an evening with Sir Robert Reid, who was about to accept the Great Seal, and was of the same opinion. A resolu-

tion, which he had drafted for a meeting at Lockerbie, demanded an immediate dissolution, and declared: 'It will be among the first duties of the Liberal government to introduce economy and order into the public finance and to put a limit to the extravagant expenditure which has characterized the present government's conduct of affairs.' The resolution went on to urge that the new Liberal government should aim at improving the social conditions of the people, and should set land and housing reforms in the forefront of its measures. The old radical watchwords of Peace, Retrenchment and Reform should again take their rightful place in the conduct of national affairs.

Balfour's tactic of resigning instead of dissolving had the anticipated effect of creating difficulties for Sir Henry Campbell-Bannerman. The four leading Liberal imperialists, Asquith, Grey, Haldane and Fowler, had so far cut adrift from Rosebery that they consented to serve under C.-B., for whom King Edward sent on Balfour's resignation. But they agreed among themselves that C.-B., should go to the House of Lords, that Asquith should lead the House of Commons, that Grey should be Foreign Secretary, and Haldane Lord Chancellor. Campbell-Bannerman, however, began the formation of his cabinet by making Sir Robert Reid his Lord Chancellor, and flatly refused to go to the House of Lords. For several days Sir Edward Grey stubbornly declined to take office, and Campbell-Bannerman began to look round for a Foreign Secretary. In later days Morley thought it a European tragedy that C.-B. did not find one before the Liberal Imperialists capitulated. Had he done so and secured the right man, there would have been no secret alliance with France and Russia, and in all probability no war. However, C.-B.'s difficulties were overcome. Asquith became Chancellor of the Exchequer, Grey Foreign Secretary, Haldane (who ran the secret military and naval conversations with France), Secretary for War, Morley Secretary for India, Lloyd George President of the Board of Trade, and John Burns President of the Local Government Board. James Bryce took the difficult and thankless place as Chief Secretary for Ireland. Molteno's old friends, Leonard Courtney and George Shaw-Lefevre, received peerages. Being in a minority in the House of Commons the Cabinet decided to dissolve parliament, and appeal to the country in January on a new register. Lord Rosebery, who had 'ratted' on Home Rule, refused 'to serve under the Green Flag', and many timid Liberals feared that this declaration would cause the loss of many seats. But Rosebery had lost his hold on the people, whereas Campbell-Bannerman had become the most popular statesman since Gladstone. Even so, no one was prepared for a landslide which overwhelmed the Unionist party and crushed tariff reform.

I.A.P.  
25.7.39

CHAPTER XXI

MOLTANO IN PARLIAMENT, CAMPBELL-BANNERMAN'S ADMINISTRATION 1906-8

Just before Christmas, 1905, Percy Moltano was formally adopted as the Liberal candidate for Dumfriesshire. The writ was to go out on January 8th, to be received in Dumfries on the 9th. He told one of his supporters at the beginning of January that the 'great dominating issue' would be free trade or protection, and after that land reform and social reform. His opposition to Chinese Labour was popular, and he took care to repeat his views on the restoration of self-government in South Africa.

On December 21st, along with a great array of Liberal candidates and Members of Parliament, he was present at the enthusiastic meeting in the Albert Hall with which the new Liberal Premier started his campaign. On the following day he described the position to his brother Charlie and reminded him that the new Colonial Secretary, Lord Elgin, was grandson of Lord Durham, and son of the Lord Elgin who carried out so successfully Lord Durham's policy in Canada. 'This seems to me a happy augury for his action in South Africa, which will in all probability be based on similar lines.' As a matter of fact, John Morley had consulted him earlier in the year on the question of a constitution for the new colonies in South Africa, and Moltano had drawn his attention to the Canadian precedent where he thought 'the difficulties were greater in some ways than in South Africa'. He had sent Morley notes on Lord Durham's Report and a series of extracts from it, adding: 'Lord Durham's suggestions were much criticised at the time by the Tories and even by the Whigs of the day; and there were the usual prognostications of separation and other disasters.'

On December 30th he wrote from Dumfries to his friend, Philipson Stowe, who lived at Fernhurst:

I am in the thick of the election work here. I addressed eleven meetings last week, and have I suppose some fifty or sixty more to address. I wish I could have had you here to give me some assistance on the question of Chinese labour. You will, of course, approve of what the Government has done in stopping the recruitment and importation of Chinese.

On this point, as he wrote to Merriman (January 9th, 1906), Sir Henry Campbell-Bannerman's pronouncement at the Albert Hall 'was received with tremendous excitement and approval'. He was staying at the Woodbank Hotel, Dumfries 'in the thick of the fight', and things looked very favourable. A Christmas card of good wishes had come from Merriman with a 'perfectly delightful' view of his home Schoongezigt — 'the white house with its background of dark trees and the extraordinary variety of the hills. Your lines are indeed laid in pleasant places.' Percy would have felt quite confident of victory but for 'a powerful body of Tory lairds, who cannot be moved at all and will always vote straight for their party'.

When the results of the first elections became known on January 15th, he wrote to a Liberal friend:

What a magnificent set of victories we have had at Ipswich, Manchester and all the other elections on Saturday. It looks as if we are really going to sweep the country and carry all before us. I have now addressed eighty-eight meetings here. It is a big county. I did ninety miles the other day in the afternoon and evening.

To J. W. Sauer he wrote on the same day:

Balfour's defeat is splendid. It shows that the diagnosis I gave you when you left is quite correct. The country is sick and tired of his mismanagement, his indecision and his shuffling. You will see from C.-B.'s address that he is going to stand no nonsense, and will not have any weak policy of Toryism and water instead of real Liberalism. You may rely on it that I will do all I can to assist in getting a proper Constitution granted, and as you will see C.-B. and our friends Sir Robert Reid (now Lord Chancellor Loreburn), Sinclair and others are well placed to assist. I shall be delighted to see Smuts when he arrives and his presence will be most useful. All Liberals are in high spirits and enthusiasm over C.-B.'s fine pronouncement at the Albert Hall.

Dumfriesshire polled on Friday, January 19th, and next day the counting took place at Dumfries. Most of the ballot boxes had been conveyed to the town by Friday night, but those from Langholm and Canonbie did not arrive until rather late on Saturday morning. However, the count was complete just before 10 o'clock, when the Sheriff announced that P. A. Molteno headed the poll with 4,814 votes against Balfour-Browne's 3,431. The winner received a great ovation and drove through cheering crowds to the Commercial Hotel where he was joined by his wife and their son Jervis. The new member then addressed an enthusiastic crowd of supporters. It was a victory, he said, for freedom, and he gave full credit to the workers who had helped to secure it. There was now an unbroken line of Liberal seats from east to west in southern Scotland. Percy's majority was the largest in the history of the constituency. When a newspaper man asked him what had been the main issues, he enumerated them as follows — the record of the late Government in education, temperance and war; its enormous extravagance, its policy in South Africa and its failure to effect Army reform; Chinese labour and protection; and finally Sir Henry Campbell-Bannerman's policy of land reform and social legislation.

Lord Breadalbane, of Taymouth Castle, a Liberal, wrote to his friend, Sir Donald Currie 'on the splendid victory of your son-in-law. Though you probably do not agree with him, I am sure you must have been pleased at his majority'. He suggested that the great shipowner might give all the thrown-out Unionists free passages to the Cape though, 'under existing circumstances, even the Castle Line, large as it was, might be taxed beyond its capacity if it undertook such a duty'. He enclosed a comic postcard showing the portly figure of C.-B. sitting on Arthur's seat and Arthur Balfour, who was very thin, edging off the end of the Treasury Bench.

Percy helps get proper SA Constitution - 1906/7

Timing extract ??

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When all the returns had come in, the Liberal M.P.s in the House of Commons were 377 strong, having a clear majority without counting the 83 Irish Nationalists and the 53 Labour members, of whom 23 were allies of the Liberal Party, and were represented in the Cabinet by John Burns, whose eloquence had helped to win many London seats. The Opposition total of 157 included 109 Chamberlainites or Tariff Reformers, 11 Unionist Free Fooders or Free Traders, and 32 loyal supporters of Mr. Balfour, who agreed, so far as they understood them, with their leader's fiscal opinions.

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On January 25th Percy wrote to his brother Charlie:

I have just come back from Dumfries, where we had a very exciting time. My majority was larger than many of my friends anticipated. The results generally have been most remarkable. I anticipated a great upheaval and it has certainly come. Our great majority puts the Liberal Party not only in office but in power; and we have in Sir Henry Campbell-Bannerman a strong, conscientious and fearless man who will go straight forward in the policy he has laid down.

As to South Africa, it was clear, he thought, that

real responsible government will be granted very shortly. I am to meet Smuts next week and I have also seen Mr. Justice Wessels. Mrs. Molteno and Jervis were with me for the last few days of the campaign, and I think they both rather enjoyed it.

Percy's confidence in C.-B. was complete and well-founded. The new Prime Minister was a rare combination of the good Liberal with the good democrat. His heart was as sound as his head. One paragraph from his election address (issued on January 6th) will help to explain Percy Molteno's admiration for the Liberal leader and confidence in his judgment.

Pro Free Trade

I hold that protection is not only bad economy, but think it is an agency at once immoral and oppressive, founded as it is and must be on the exploitation of the community in the interest of favoured trades and financial groups. I hold it to be a corrupting system, because honesty and purity of administration must be driven to the wall if once the principle of taxes for revenue be departed from in favour of the other principle, which I conceive to be of the essence of protection — that, namely, of taxes for private beneficiaries. I hold that a method which, even if it be not deliberately contrived to secure the public endowment of such beneficiaries, including trusts and monopolies, must inevitably operate in that direction, is a most grave menace to freedom and progress, and an outrage on the democratic principle. Last, but not least in order of importance, I hold that any attempt to rivet together the component parts of the Empire with bonds so forged, or to involve it with us in a fiscal war against the world, is not, and cannot come to, good. An empire 'united' on a basis of food taxes would be an empire with a disruptive force at its centre, and that is a prospect with the realization of which, both in the interests of the Colonies and the mother country, I can have nothing to do.<sup>1</sup>

<sup>1</sup> From Sir Henry Campbell-Bannerman's Election Address, issued January 9th, 1906.

Chamberlain could claim that his candidates had done better than Balfour's but he did not long survive the defeat of his cause; for a tragic stroke, followed by a lingering illness, removed him soon afterwards from political life, and Tariff Reform was on its last legs in the Parliaments which preceded the Great War. Eventually the Tariff Reform League had to be wound up for lack of funds and only emerged in the Armageddon to a new life, which after 1930 was to justify all the objections advanced against it by the Liberal Leader.

Percy's position as an independent member of Parliament with no axe to grind, who knew more about South Africa than anyone else either inside or outside the Government, now became highly influential and important. During the Boer War he had been constantly consulted by those members of the Cabinet who opposed it and now his criticisms and counsels carried weight. The first question to be settled was that of a constitution for the Transvaal. At the beginning of February Percy had come to the conclusion 'that a Commission should be appointed to go out and let everyone have a say — Boers, mineowners, etc. and bring back all information'. He hoped the Cape model of self-government, which had worked well and had been referred to in the Vereeniging Terms, would be followed. There had been, as he wrote to Solomon, 'too much whispered advice'. Before the new constitution was formulated 'let us hear what the people wish and think from their own representatives'. Many difficulties had been created by Lyttelton and there was much trouble in Natal with the natives. 'I very much regret their having the Poll Tax forced upon them.' About this time, in February, 1906, Percy had begun to investigate the use of Natal coal for the Union Castle Line. Eventually, after much difficulty, he persuaded his colleagues on the Board to try it. It proved satisfactory, and important savings were effected.

In February he was elected a member of the Reform Club but retained his membership of the National Liberal. He enjoyed Parliamentary life and liked his constituency. 'I had excellent meetings,' he wrote to his brother-in-law Dr. Murray, 'with great enthusiasm even among my somewhat sober and staid people'. In Parliament they had a grand majority and a fine stalwart Liberal as their leader. 'We shall be strong enough to do justice where it is needed, and a different spirit will animate our proceedings in South Africa. . . . We will go back to constitutional ways and treat all our subjects as equal in the eyes of the law.' The whispered lies of spies and informers would no longer blight the lives of innocent men.

The great Liberal Parliament of 1906 was opened by King Edward on February 19th. The King's speech referred to the honourable peace, due to the initiative of President Roosevelt, which had brought the war between Russia and Japan to a satisfactory conclusion, and also to an agreement concluded with the government of Japan which had prolonged and extended the Anglo-Japanese Agreement of January, 1902. It mentioned a conference summoned by the Sultan of Morocco at Algeiras, and expressed an earnest hope that the negotiations would conduce to the maintenance of peace among

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all nations. It referred also to the peaceful accomplishment of the dissolution of the union between Sweden and Norway, to reforms in Crete and to the need for reforms in Macedonia. There was no disclosure of the controversy on which Sir Edward Grey had already embarked with Germany, an incident withheld from the Cabinet which only came to light when he was justifying our entrance into the Great War in August, 1914. Far more important at that moment in the eyes of the Liberal Members generally and of Molteno in particular were the paragraphs relating to South Africa:

In order to establish responsible government in the Transvaal Colony I have decided to recall the Letters Patent which provided for the intermediate stage of Representative Government, and to direct that the new Constitution be drawn up with as much expedition as is consistent with due care and deliberation in all particulars.

A constitution granting Responsible Government will also be framed for the Orange River Colony.

It is my earnest hope that in these Colonies, as elsewhere throughout my Dominions, the grant of free institutions will be followed by an increase of prosperity and loyalty through the Empire.

The speech further stated that while self-government was being restored in South Africa no further licences would be issued for the importation of Chinese coolies. It dwelt on the satisfactory growth of overseas trade, and promised measures for Irish self-government, for land and education reform, and for the prevention of plural voting.

The crushing defeat of the Conservative Party had led to bitter recriminations, which seemed to threaten the deposition of Balfour from the leadership; but just before the opening of Parliament letters were exchanged between him and Chamberlain which appeased the Tariff Reformers for a time. Balfour's letter stated that 'fiscal reform is and must remain the first constructive work of the Unionist Party'; and it added that while differences of opinion of methods should not be permitted to divide the Party

the establishment of a moderate general tariff on manufactured goods, not imposed for the purpose of raising prices or giving artificial protection against legitimate competition, and the imposition of a small duty on foreign corn are not in principle objectionable.

With this limited concession Chamberlain had to be content, and wrote, 'I cordially welcome your letter of today in which you have summarized the conclusions that we have reached during our recent discussion'.

This, however, was by no means the end of a controversy in the Unionist Party which caused its defeat at two more general elections before the Great War. The Tariff Reform press declared that Balfour had become a whole-hogger; but Balfour denied that his 'unsettled convictions' on Tariff Reform had suffered any change since he issued his pamphlet on 'This Insular Free Trade'. Indeed, to show his consistency, he published a little book entitled *Fiscal Reform*, containing reprints of his

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various speeches on the subject from 1881 onwards, though he left out a strong Free Trade utterance delivered at Sheffield on November 19th, 1896. The Duke of Devonshire, during the debate on the Address in the House of Lords, declared that he was not concerned with the adjectives or the 'whens' and 'ifs' which qualified Balfour's acceptance of Chamberlain's policy, and announced that 'the Unionist Party to which I owe any allegiance is a Free Trade Unionist Party, if such a Party may by any possibility be reconstituted in the future', and declined to accept any leadership founded on the principles embodied in the letters that had passed between Balfour and Chamberlain. Balfour replied bitterly that the Duke had absolutely misrepresented his perfectly plain letter by dismissing the 'ifs' and the 'whens' and brushing aside his qualifications. On this a witty friend of Molteno's, Thomas Gibson Bowles, a genuine Tory Free Trader, remarked that to deprive Balfour of his 'ifs' and 'whens' was to deprive him of his most precious possessions.

We shall have occasion to refer again and again to ~~Molteno's views on Tariff Reform, of which he was and remained a consistent opponent.~~ But the danger had been removed, and greatly as he welcomed the Duke of Devonshire's declaration, he rejoiced still more at another incident — the overwhelming reproof administered by Lord Chancellor Loreburn in the House of Lords to Lord Milner, who on February 26th in a maiden speech made a long bitter protest against the Liberal Government for cancelling the Lyttelton constitution and for promising full responsible self-government to the Transvaal and Orange River colonies. That decision, said Milner, had been received 'with a whoop of triumph and a pæon of rejoicing by the whole anti-British press of South Africa'. His whole speech with the analogy of Egypt proved, if further proof were needed, how utterly unfit he had been for the task of presiding over self-governing communities or for recognizing that the Afrikanders were entitled to the same rights as English men in South Africa.

When Loreburn's *Life* is written, posterity will recognize his courage, statesmanship and prevision in opposing the policies that led to the South African War and to the Great War. During the whole period from 1899 to 1919 he was in constant consultation and correspondence with Percy Molteno; and one is not surprised to read a letter from Percy to Charlie on March 2nd, 1906, telling him to be sure to read Milner's speech of February 26th and the Lord Chancellor's reply on the following day.

We were warned [said Loreburn] in solemn tones by the noble Viscount of the dangers before us. Yes, there are dangers. Such has been, as I think, the unfortunate policy of him and of those who acted with him, that the path is strewn by dangers. There are dangers, and he is one of the main authors of the dangers. All we have to do is to choose the path which offers least danger.

That path was the restoration of responsible self-government. It was the only sound alternative to Crown Colony government, the only way to remove friction and the

exasperation of racial feeling. He repudiated altogether the idea that Britain was to act as a kind of Providence to the people of the Transvaal instead of letting them govern themselves according to their own ideas. He always had and always would call the policy of Chamberlain and Milner in 1899 'one of the greatest blunders of English statesmanship since the time we lost the American Colonies'. This precisely represented the views of Moltano.

In the House of Commons there had been a debate on the native question in which Percy had hoped to make his maiden speech; but owing to the inordinate length at which several other Members had insisted on addressing the House he had to wait for another occasion. However, a Commission had been appointed, as he had wished, to proceed to South Africa; and, to his great satisfaction, Sir Francis Hopwood, 'a very able man', was to be on it. He hoped that it would recommend a constitution for the Transvaal 'similar to that of Cape Colony, including the franchise for natives'; otherwise he foresaw endless pressure on this side for interference in the native question and a possibility that we might again be involved in a number of native wars.

Already in February a correspondence with Vaughan Nash, C.-B.'s secretary, shows that Percy was being consulted about South African policy.

The framing of a Constitution for the Transvaal and Orange River Colonies was entrusted by C.-B. mainly to Loreburn, who had to work with the Colonial Office under Lord Elgin, the Secretary of State, and his assistant secretary, Mr. Winston Churchill. From this time onwards until the end of the Session Percy was in constant communication with Loreburn and his associates in the work. Loreburn relied upon him for correcting the misinformation and biased advice that came too often from the High Commissioner, Lord Selborne (whom it was thought inexpedient to recall), and from the various officials whom Milner had studied over the Transvaal and Orange River Colony.

~~Moltano's first business was to persuade ministers not to allow imperial troops to be sent to assist the Government of Natal, which had stirred up a native revolt by imposing an unjust poll tax.~~ On May 17th Percy took alarm, and sent a warning note to his friend Sinclair, the Secretary for Scotland, who was in the Cabinet, and very intimate with the Prime Minister. If Imperial troops were called upon to take part in the operations, he wrote, 'it would very soon be a question of 10,000 men and several millions of money'; and a native war started in Natal might easily spread to the Transvaal, Basutoland and Swaziland.<sup>2</sup> Mining representatives from South Africa, with whom he was in daily contact, were all urging that 'the native must be brought to book, that he is too independent, that he is able to command a wage beyond what they like', etc. Unless, therefore, great precautions were taken, 'we might very easily be

<sup>2</sup> On May 22nd he addressed the Peace Society at the City Temple on the evils and dangers of war. At this time in the Commons things were going well. On May 11th he had noted: 'the Education Bill was carried last night by a majority of 206!'

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landed in a good old Kaffir War'. If the Natal Government was once allowed to rely upon British troops and British money, they would want to carry on the war to the bitter end. He suggested that a strong Commission should be appointed, that the native chiefs should be invited to a conference, and that the Taxes on the natives should be reduced and adjusted. The failure of Chinese labour would add another complication. Percy wound up: 'Had the natives possessed the franchise in Natal as they possess it in the Cape and in Rhodesia, these troubles would, I am sure, not have occurred.'

Percy  
pro Black  
franchise on  
Cape model

On June 11th, 1906, Percy despatched a soothing letter to Merriman, who was impatient about the Colonial policy of the Liberal Government. It pointed out that the long course of evil pursued by the late Government and the Milner regime in South Africa could not be obliterated immediately. 'Lord Elgin is cautious, very cautious, and possibly he is right.' He was hampered by having to be represented in South Africa by instruments selected by his predecessor. Then there was the trouble in Natal; but the financial pressure would probably induce the Natal Government to avoid prolonging the affair. These events in Natal showed the desirability of protecting the natives from oppression and exploitation, but the British Government must not interfere with Colonial self-government. The best hope of a good solution was an extension of the Cape franchise to the other Colonies.<sup>3</sup>

The value and importance of Percy's private and unofficial work on the new Constitutions for the Transvaal and Orange River Colonies were due not only to his unique experience and knowledge but to the fact that he commanded the confidence not only of C.-B., Loreburn, Sinclair and John Burns (who was a member of the drafting committee), but also of Merriman, Sauer and the leading Boer generals and statesmen, who constantly communicated with him and asked him to place their views before the Liberal Administration. Thus in July Abram Fischer wrote to him from Bloemfontein fearing that the interests of the Orange Free State were being overlooked and urging that Selborne should be recalled.<sup>4</sup> Percy replied, saying how glad he was that Fischer had written to him, 'as it is very important we should know here what your attitude is':

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It is no use our taking a stand here, if matters are given away on your side. I am very glad to know that they are not. I can only now say that I have had an interview with Lord Elgin and personally handed him a copy of your letter to Sir West Ridgeway (chairman

<sup>3</sup> It admitted natives on the same terms as white men; i.e. if they could read and write and possessed property. In this letter Percy mentioned a false statement by Herbert Paul in Vol. IV of his *History of England*, to the effect that 'you (Merriman) and my father shot natives without trial. He is quite wrong.'

<sup>4</sup> Fischer was elected Premier of the Orange River Colony in December, 1907. General Louis Botha became Premier of the Transvaal in the previous February.

of the Commission which had been sent to South Africa) on the High Commissionership question with copy of Sir West Ridgeway's reply. We all feel here that we have all the disadvantage of being Liberals without having a man (as High Commissioner) to carry out our views sympathetically and firmly. I read Lord Elgin the concluding portion of your letter and am showing it to some other friends as well. I am to spend the day with the Lord Chancellor on this Constitution question, and shall very probably see or communicate with the Prime Minister, so that you may rest assured that what can be done is being done.

He asked Fischer to keep his letter out of the Press, but 'of course you can inform friends such as General Herzog of what I am doing'.

Percy's Liberal and Radical friends were impatient, and not unnaturally; for they knew that there were Ministers, as well as a considerable number of Ministerialists, who had lined up behind Campbell-Bannerman in 1905 rather because they saw he was going to win than from ardour for reforms either at home or in South Africa. But Percy realized that the strain on Ministers was severe and that enthusiasts could not have all that they wanted in the first Session of the new Parliament. The long reign of Unionism had packed the Borough and County Benches with Tories, and Molteno's agent, MacGowan, was anxious that a batch of good Liberal magistrates should be appointed for Dumfriesshire.

But the Lord Chancellor [wrote Percy to MacGowan on July 24th, 1906] is under tremendous pressure just at present. I had lunch with him on Sunday last, and even that day had to be devoted to business of the most pressing and important character.

It was 'impossible for man to do more than he is doing'. On August 1st, he explained the business which was engaging Loreburn's attention and that of the Colonial Office: 'We had a very important Debate on the new Constitution in South Africa yesterday. I spoke at some length.'

Two days afterwards he was able to tell Fischer that he had seen the Prime Minister and the Lord Chancellor about the desirability of appointing a successor to Selborne, who was still High Commissioner for South Africa. They were aware of the drawbacks to 'the present personality', but had to consider the situation at home as well as in South Africa. However, the Constitution for the Transvaal was now out, and Balfour's 'scandalous speech' against it had received no support from his own side:

The Lord Chancellor said to me last night in talking over the matter that the Dutch must realize we are going to trust them, and are their friends; but they must recognize that we have our difficulties here. As to the Orange River Colony, the delay is purely due to the fact that the Cabinet has no time to go into it. They are all working at great pressure just now at the end of the Session, and I, who see them every day, know how they are driven. The Lord Chancellor told me he could not deal with the O.R.C. Constitution at the same time as the other. Churchill has told me the

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same thing. It will mean a delay of a few months, as the Vacation is to come on, and Ministers need a rest.

After the holidays, on October 14th, Molteno wrote again to Abram Fischer:

I have had a long talk with the Lord Chancellor. I sent him both your last letters, with yours to Selborne, which he thought very good. I think he realizes very clearly that the loan for the purposes named in Selborne's letter will not do — also that compensation must have proper consideration. I told him I had written to you for information on this matter, and he quite approved.

He is at work drafting the Transvaal Constitution, and had got it with him. He says it is purely and solely because he cannot get time to do both together that yours [the Orange River Colony] is waiting. But as soon as the Transvaal is done, he will at once go ahead with yours, which will certainly be not less liberal. He has very great weight and influence, not only with the Prime Minister, but with all his colleagues.

I am now letting another member of the Cabinet see your letters — Mr. Sinclair, whom you met here. I hope to see Churchill soon. Our engagements have prevented us meeting yet after the holidays, but we are in communication. I shall also probably see the Prime Minister on his return next week. When I saw him just before Parliament rose, I had a long talk, and he said as I left him: 'You have been right all through this South African affair.'

I shall not cease to work for a complete self-government, as full and free as possible; but we must have a change in the officials as soon as it can be done conveniently. As for the natives they should have some means of making their wishes known and some sort of guarantee for fair treatment.

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In December he put some searching questions to Mr. Winston Churchill about compulsory labour in Natal and the Poll Tax and the Hut Tax. The Under-Secretary's reply was unsatisfactory. Thereupon Molteno wrote pointing out how badly the natives had been treated in the Transvaal. Statements that the application of compulsion to black labour was one cause of the rising in Natal had been 'completely confirmed to me by those who know Natal well'. The Transvaal blacks were now in a worse position than under President Kruger; and as there was a danger that they might be unfairly treated under the new constitution he thought the Colonial Secretary should take some action;

for though self-government is granted by Letters Patent, we still have our troops in the Colony, and they would have to bear the brunt of any rising which might occur from extreme harsh treatment.

A few days later he had the satisfaction of hearing from the Colonial Office:

I am directed by the Earl of Elgin to inform you that he has sent a copy of your letter of the 19th inst. relating to the position of natives in the Transvaal and more particularly to natives on Crown Lands to the Governor of the Transvaal asking for his observations.

On the same date Percy wrote a private and confidential letter to Abram Fischer who was soon to become the first Premier of the Orange River Colony:

I am glad to see that the *Bloemfontein Post* welcomes the new Constitution for the O.R.C. It is exactly on the lines of the Transvaal Constitution already issued. There does not appear to me to be any infringement of the principles of responsible Government in it. . . . You will see that the Constitutions were approved by a unanimous vote of the House of Commons — which I regard as most satisfactory. In the few remarks that I made upon the matter I congratulated the Government upon having given exactly the same Constitution to the O.R.C. as to the Transvaal. I also pointed out what a great injustice it had been to burden the country, at a time when everything else had been destroyed, with the cost of bringing out new people and settling them on the land when the older inhabitants were in such a plight; and incidentally I insisted upon the fact that compensation could not be allowed to rest where it was and would have to be met in some way — possibly by capitalizing the £350,000 per annum which is regarded as saved to the two Colonies by the £35 million loan having been guaranteed by the Imperial Government. I further felt it my duty to point out how unsatisfactory the existing state of things had been to every interest with the exception of the Magnates. I particularly drew attention to the accusation of native ill treatment as one of the pretexts of the war. And yet the natives' condition to-day is infinitely worse than it was before the war.

This led him to plead with Fischer for a careful consideration of the native question. Now that mines and railways were clamouring for native labour at a cheap rate, there was danger that the natives would be driven to revolt by injustice and oppressive taxation. He hoped the new Government of the O.R.C. would give some sort of representation to the civilized natives such as they had in Cape Colony. The native question should be settled in South Africa. It was bad that black men should have to look to England for sympathy and redress of grievances. There was much feeling about it since the Congo atrocities had brought the subject to the forefront.

At the beginning of January 1907, Percy, who was taking a holiday in Switzerland, wrote to congratulate Merriman on a speech which he had delivered at Port Elizabeth:

I am very glad you and Sauer are enlightening the country and preaching again the ever sound and essential doctrine of economy in public finance and the necessity of South Africa being governed by South Africans.

They agreed that over-taxation was driving people from the Colony. There were more emigrants than immigrants. Meanwhile Argentina and Canada were going ahead. Molteno blamed the foolish Immigration Laws of the Cape, which insisted on a property qualification and rejected thousands of able-bodied, thrifty men who were needed to develop agriculture and fruit-growing. He was glad that Merriman was not rushing at the

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"Native Question"  
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idea of Federation as a panacea. Cape Colony was the State that had most at risk from federation or unification. It had a large well-settled population and on the whole a sounder financial position than the others, though the Orange River Colony would run Cape Colony close once it was 'released from the grip of the Inter-Colonial Council and the reckless officials who now misdirect its resources'. The Cape therefore should beware of entering into partnership for a Union on unwise terms from which it might lose heavily.

On the question of native labour in South Africa Percy Molteno was already recognized as the leading independent authority in Parliament, and at this time Ramsay Macdonald, who was writing on the subject, applied to him for information which was readily afforded.<sup>5</sup> In March, 1907, Mr. Churchill furnished him with Lord Selborne's reply about the treatment of natives on the Crown Lands. It was not reassuring, and Molteno responded with 'observations'. About the same time he and F. C. Mackarness and Percy Alden drew the Prime Minister's attention to the grave danger of leaving the Colonial Office in dependence on such South African advisers as Lord Selborne, the High Commissioner, and others who did not share the Liberal views of the Government. Not believing in self-government themselves they were in a false position when entrusted with the duty of carrying it out in practice. Had the Government recalled Selborne, the Colonial Office would not have remained officially ignorant of the shameful condition of the Chinese compounds or of the native troubles in Natal. The three friends mentioned Selborne's support of Chinese labour and his nomination of unsuitable individuals to the Upper House in the new Transvaal Constitution, and they referred to the many representations that had reached them from leading South Africans who deplored Selborne's retention. After some delay C.-B. replied:

I have read with care what you and Mackarness and Alden say about the question of the South African Governorships, and I quite concur with you as to the importance of appointments being given to men who are in general sympathy with the aims of the home Government and are likely to keep in touch with the local populations. I shall, of course, watch the course of events closely, and though you must not expect any sudden or abrupt changes, I hope the balance will be made fairer by degrees.

As will be seen from our next chapter Percy was working indefatigably throughout the Parliamentary Session of 1907 in the House, on the platform and in the Press for the 'Small Landholders (Scotland) Bill'. It will be convenient, however, to defer consideration of these activities and to conclude his work for South Africa during the administration of Sir Henry Campbell-Bannerman.

<sup>5</sup> In the previous year (1906) Percy had ordered a complete set of the *Imbo*, a South African native paper, which he had found 'most useful in throwing light on native wants, wishes and interests'. It was edited by his friend Tabavu.

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At the beginning of March, 1907, General Botha took office as Prime Minister of the newly constituted self-governing Colony of the Transvaal. Molteno telegraphed his congratulations and at the same time wrote to Botha:

I was talking to the Prime Minister last week about the (Transvaal) elections. He was most pleased about them and at your being Premier and said he was most thankful. It was really wonderful that self-government could be given and such an election held with such results. He added: 'What a splendid thing if we could get him (i.e. yourself) over to the Colonial Conference; but I fear he may be too busy to be able to come.' I wonder whether you can manage to come.

Botha promptly accepted the invitation, but after his arrival Percy received a warning letter from Merriman written from Stellenbosch on March 25th:

Keep an eye I beseech you on Botha. He is a charming personality, a Bayard in the field, but perhaps rather inclined to conciliate his enemies; and of course he will have every engine of influence turned on him.

Merriman was rightly apprehensive of the gold-mining interests and their influence in the Transvaal. There were many Esaus, he said, who would sell their birth-rights for a mess of pottage, and he begged Percy to use all his influence, 'direct and indirect', to keep things straight.

Percy had written in the middle of March to Charlie to say how glad he was that Botha had accepted the invitation: 'Sir H. C.-B. was very keen that he should come.' A month later he was 'very busy' with the Colonial Premiers. On receiving Merriman's letter he wrote:

I agree with you that there is a distinct danger in these Conferences, particularly if they are to be given a permanent secretariat and staff. We shall have officials who can justify their existence by meddling. . . . I have seen Botha and bear in mind all you say in that connection. I think he is doing well, and am in great hopes that dinners and functions will not really do him any harm. I shall give him any assistance in my power.

But he soon found that Merriman was not far wrong in sniffing danger; for in the middle of April a report (which was not contradicted) appeared in the Press that at the Colonial Conference Botha was talking of creating a new army for the Transvaal. A day or two later Botha wrote to Percy asking him to reserve cabins for himself and staff in the next mail-boat. Percy thereupon adverted to the report of what Botha had been saying, and entered a very strenuous, though very friendly, warning and protest:

*Most private and confidential.*

*April 23rd, 1907.*

I have read in this morning's *Standard* a proposal for a Boer army, as it is called, a large force with guns which is said to be proposed by yourself for the Transvaal or South Africa.

This may be only newspaper talk, but the matter is so grave and so dangerous that I venture to write to you in the strictest confidence and with the strong feel-

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ings of friendship and wishes for your success which I am sure you know I have towards you. Should there be any truth in the rumour, I would most strongly urge you to pause before pressing a matter of this kind, which can hardly have been thought out, or the consequences realized.

He enclosed a newspaper cutting to show what suspicions might be aroused, and proceeded:

All your friends here have been hoping that war and bloodshed were no longer to be thought of with regard to South Africa, and that militarism was a thing of the past. We were hoping that, just as in Canada Sir Wilfred Laurier refuses to make preparations for an attack — because he does not desire to attack anyone and he knows that no one desires to attack Canada — so we were hoping for peace in South Africa.

With my knowledge of Cape politics and Cape statesmen, I cannot imagine their consenting for one moment to participate in any course of this kind.

Botha replied from the Hotel Cecil on April 23rd:

The report in the papers re defence force for the Transvaal is absolutely misleading and incorrect, and you need not worry yourself about it. As soon as you have time to call round and see me personally I shall make the matter clear to you.

It may be inferred that Percy's friendly warning was salutary.

Another, equally wise admonition, was addressed to the *Morning Post*, which had suggested that the Imperial Conference should be used to bring about a South African Federation. To which Percy made answer that Federation could be safely effected only 'by the free and spontaneous action of the Colonies themselves', and that could not be until responsible government was in full working order in the Transvaal and Orange Free State. To prove his point he quoted Sir Bartle Frere and Froude, who as the result of their experiences came to this very conclusion. Happily our Government refrained, and in due course Percy's hopes were realized in the right way.

Percy's ability as a controversialist and his complete grasp of the free trade argument were displayed in a letter from Parklands on April 22nd, 1907, to a Scottish correspondent, who trotted out a favourite argument of the Tariff Reformers that protected countries with a tiny export trade sometimes increased it more rapidly than Great Britain, though British exports were not only being maintained at an enormous figure but were expanding more rapidly than the population. His correspondent had quoted France. Moltano replied:

It would be as reasonable to prefer the French position to ours as for a grown man of fifty to complain that he had only increased in age by 2 per cent since a year ago while his young baby two years old had increased by 100 per cent in the same time.

As to imports and exports he added:

Goods produced here as easily as abroad are not in any way hindered by goods produced abroad as easily which have to pay freight and railway charges here.

Our artisans produce what they can more easily produce than other people, and other people do the same in their country. The surplus is exchanged, and both benefit by ease and cheapness of production.

After the Colonial Conference was over Moltano wrote an interesting letter to Merriman dated May 27th, 1907, from the Library of the House of Commons. Merriman had asked him to do a service to a friend who had discredited himself at the time of the Jameson Raid. Percy promised to forget and forgive.

Time [he wrote] is softening the memories of that great betrayal of British traditions and honour, and certainly the minor fry should now have a clean sheet when Jameson has been made a Privy Councillor.

He agreed with Merriman as to the danger of Colonial Conferences at which a small colony had the same representation as Great Britain. Imperial Preference had turned up again in the shape of a 1 per cent duty on foreign goods proposed by Deakin of Australia, but 'Sir Wilfred Laurier with his cool head, great ability and real statesmanship' had proved the saviour of the Conference. He went on:

What madness is this Chinese system of trying to raise a wall round our Empire and destroy the trade of other nations! What can these trading nations do but increase armaments when we are asked to threaten their foreign trade and close all their future markets; and then these swollen-headed asses want us not only to pay for Army and Navy to keep them secure with their irritating anti-Japanese and other laws, as in Australia, but also to tax our good people to give them still larger profits.

Still a little good came out of it all. It brought Botha over here, enabled him to be seen by leading men of both Parties, who proffered him their aid, enabled him to make the acquaintance and friendship of a man like Laurier, put him on excellent terms with the leading men of our Party, and has absolutely snuffed out Milner and his policy of no trust in the Dutch.

As to Botha's position I do not think it ought to harm him with his people. Remember he has come to an England in the hands of men who hated and opposed the War and are the living embodiment of the highest traditions of freedom. England as a whole was simply misled about the War and its recognition of Botha's bravery and gallantry was very great and spontaneous even in 1902 when I myself witnessed it and it is equally great now.

Considering all this he could genuinely ask and offer co-operation to make the new order of things a success. The task is no easy one; there may be serious difficulties ahead; but in that event the good understanding just established by Botha's visit will be very valuable.

I am glad to see Charlie is back again in the House. I hear on all hands that Jameson will go with the next General Election, and then I presume your turn will come.<sup>6</sup> Federation is a difficult business and for none has it more risk than for Cape Colony. This Irish Bill failure is a bad bungle, of which we don't yet know all the inner history, or what may come out of it, but a misfortune anyway. How goes your lovely farm?

<sup>6</sup> Merriman's party won the elections as Moltano expected, and Merriman became Prime Minister of Cape Colony on February 3rd, 1908.

Charlie

Merriman  
1908

In August, 1907, after the Parliamentary Session was over, Percy could look back with immense satisfaction to the great constructive work which he had helped to accomplish for the restoration of peace and goodwill in South Africa by the re-establishment of self-government. He wrote to a friend, Dr. J. R. Reinecke of Ceres:

You will of course be very much gratified at the grant of Responsible Government to the Transvaal and Orange River Colonies, for which — as you will understand — I have strongly worked here. General Botha's visit was a great success. He won golden opinions from all with whom he was brought in contact.

There was indeed one severe disappointment. All his efforts, including a long and carefully argued appeal to General Botha and Advocate Smuts to accept a native franchise, were in vain. There would have been very few native voters, as tribal natives would have been excluded; but, as he put it, there would have been

a safety valve and a means of knowing what the natives want — principles which have been of the greatest value at the Cape in harmonizing the policy of the Government with the wishes and desires of the natives.

They had had a cold and wet summer, but Percy still hoped that his oats would be harvested in good condition, and found further consolation in a letter to Frank:

My gladiolas have now come out in large quantities and are very fine. The air plant has also flowered though it has lived entirely on air since it was brought over in April. It is a curious blue flower in a sort of red sheath.

He was now planning another visit to the Cape with his wife and children. Before starting he held some meetings in Dumfriesshire and other parts of Scotland. They left in November and stayed on into March. The business of the Union-Castle Line took Percy to Durban and other ports and the whole visit was a great success.

Before starting he decided to take a car with him and chose a Humber, sending to the makers most elaborate instructions about pumps, tyre levers, security bolts, high tension and low tension wires, rubber washers, brass plugs, spare covers, etc., etc. He knew that the roads of the Cape Colony were rough and that motor-cars had not yet come into general use, so he made careful preparations to ensure the safety and comfort of his party. He was accompanied by his wife and his son and daughter and they left in the *Armadale Castle* in the second week of November. 'The trip', he wrote on his return, 'was a satisfactory one and very beneficial to myself and my family. I was also able to make a valuable investigation of political conditions.' He visited his numerous relatives and friends and brought up to date his knowledge of fruit farming, agriculture, mining, irrigation, and all his other interests. In an interview with *South Africa* after his return he gave his impressions of the agricultural development in the old and new Colonies. He saw a number of vineyards, and on his return tried, not very successfully, to get the House of Commons to introduce the Alphen

Percy defeated the Native franchise 1907 (TL)

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wine of his friend Henry de Cloete into the dining-room. He also tried it at his own table with results that are not recorded. He encouraged a friend, Professor Pearson of the South African College, to make botanical investigations in Portuguese West Africa and procured for him from his Portuguese friend Pinto Basto an autograph letter from the Portuguese Minister of Marine and Colonies to the Governor-General of Angola.

One of his young kinsmen asked him to put capital into tobacco growing at the Cape. To this request he replied in a cautious letter which may be commended to Colonial adventurers:

Tobacco growing seems to be an industry which requires very considerable skill; and in addition, unless you get a special vogue for the tobacco, it could hardly be profitable, seeing that tobacco can be grown almost anywhere and everywhere in South Africa. The question of labour has to be taken into account, and the training of labour to deal with the drying of the leaves, which is a very laborious task needing a large amount of knowledge, skill and judgment. There is also the difficulty that, having once begun a matter of this kind, you cannot get out of it again, as you are never able to realize the money which you have put in, and one may be dragged into further expenditure to save capital once embarked on an industry of this kind — so you will see I do not regard the venture very favourably at first sight.

I shall, however, read with interest what you may have to write upon the subject, and shall be glad to hear from you in regard to your experiences in Rhodesia.

On March 9th, 1908, Percy unveiled a memorial table in the chapel of the Seamen's Institute at Cape Town to F. G. Clarke, who had for many years been chief engineer of the Union-Castle Line. In eulogizing Clarke's fine character, Percy dwelt on the triumphs of peace and thanked the King for recognizing the heroes of peace by the gift of a medal. Their great maritime enterprise, he said, united two portions of the Empire, and they might well remember the unseen work of those who contributed to its success:

Many of us have often made the voyage, and familiarity leads us almost to forget how great is the skill and how ceaseless the toil of those who navigate a modern steamship. While we eat and drink, while we play and sleep, night and day the toil goes on, every man doing his duty in order to attain a safe passage.

It is no easy task and no light responsibility to have the care of the vast system of throbbing and pulsating engines, which must be continually felt and handled, caressed into harmonious working and kept there. A movement or two of carelessness, a bearing overheated, and disaster may come to the delicate adjustments. We realize then how high is the standard of duty exacted in these cases, what trust and confidence is reposed in these men. No one can stand by continually to see that their duties are done — they do it themselves and rely on themselves. How splendidly they respond to this test is proved by the fact that the voyage is made time after time without accident and as

regularly as the sun rises. . . . Mr. Clarke's fellow workers have realized that he was such a man and that he did his duty well and truly. The greatness of our country is dependent upon maintaining this type of character.

CB  
return

While Percy Molteno was in South Africa a great tragedy befell not only the Liberal Party but Great Britain and Europe. Sir Henry Campbell-Bannerman, who had summoned his supporters to the meeting of Parliament on January 29th, was in failing health; the death of his wife had been a mortal blow from which he never really recovered. He had saved South Africa by a splendid act of courage and magnanimity, and there is little doubt that had he lived a few years longer he would have saved Europe from the Great War. Percy, who had been in close touch with this great democratic leader, and had been his trusted adviser on South African problems for many years, felt and said that the loss was 'irreparable'. He returned on April 7th and attended the funeral service at Westminster Abbey.

ray & Coopers / Small Holdings in Scotland

CHAPTER XXII

SMALL HOLDINGS AND LAND REFORM

WHEN Percy Molteno took up his candidature in Dumfriesshire, he found that the rural population was declining; the farmers complained that high wages were drawing their labourers away to the towns, and there was a demand for small holdings which could not be satisfied under the feudal land laws without new legislation. Having studied the Roman Dutch law in South Africa he was alive to the great differences between the laws and customs of England and Scotland, the latter, like those of the Cape being founded on the Roman. He was also aware of the differences between Scotch and English farming. His keen interest, scientific and practical, in agriculture had found scope for experiments on his property of Parklands in Surrey. There, too, he learnt the needs and ambitions of the English country labourer, whose cause Cobbett had championed a century before; and he was thus able to compare and contrast by experience English conditions not only with Dumfriesshire and the Scottish Lowlands, but also with the Highland estates of his father-in-law Sir Donald Currie in Glenlyon. So he threw himself with zest into the fray, encouraged by the declaration of Sir H. Campbell-Bannerman in the Albert Hall on December 21st, 1905:

We desire to develop our own undeveloped estate in this country — to colonize our own country; to give the farmer greater freedom and greater security; to secure a home and career for the labourers. We wish to make the land less of a pleasure ground for the rich and more of a treasure house for the nation.

This fine statement of policy inspired Liberal candidates throughout England and Scotland on the eve of the famous General Election of 1906, and contributed in no small measure to the greatest Liberal triumph in the electoral history of Great Britain. On the platforms of

Dumfriesshire Percy Moltene was never tired of quoting C.-B.'s words and applying them to local conditions. He saw the need for land reforms both in England and Scotland and worked at the problem with characteristic thoroughness, combining a study of books and official documents with minute observation of conditions at home and abroad. He surveyed what had already been done in England, Scotland and Ireland. He ransacked the records of small holdings and peasant proprietorships in France, Holland, Germany, Switzerland and Denmark. He corresponded with experts, visited farms and kept in constant touch with his friend Matthew Wallace of Terreglestown, a prominent member of the Scottish Chamber of Agriculture who had worked with the Irish Land Commissioners and was familiar with operations in Ireland. The two agreed that Scotland required separate consideration, neither Anglification nor Hibernification, but a Land Bill of its own and its own Board of Agriculture. In the end they had their way, but it took a long time to get it. The Scottish Small Landholders' Bill was the first land measure introduced by Campbell-Bannerman's Government. Moltene had been waiting for it since the beginning of the Session, and on August 1st, 1906, he wrote to his agent:

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The Bill introduced by Sinclair on Saturday to provide small holdings for Scotland is a very important one. I hope the *Dumfries Standard* will give it their attention. There was only time for me to say a very few words.

The fate of the Bill was long in the balance. Strange as it may now seem, its very moderate provisions alarmed the feudal aristocracy and many of the landowners who had professed Liberal opinions. It was twice carried by large majorities in the House of Commons and after being twice rejected by the House of Lords it was ultimately passed through both Houses and placed on the Statute Book in 1910.

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But this is to anticipate. Moltene's fight for the Bill in Dumfriesshire began on August 23rd, 1906, after a brief holiday, when he addressed a long letter to the *Dumfries Standard* in reply to a local landlord, Sir Edward Johnson-Ferguson, who (after being knighted for his not very impressive services to Liberalism) had started an attack on the Scottish Small Landholders Bill by challenging a statement of Percy's about the declining population of Dumfriesshire. The letter is a good example of Percy's style and methods in controversy. After demolishing his critic's main contention by referring to the census returns, which he had quoted in the House of Commons, Percy remarked on Sir Edward's surprise that the census did not agree with his own statement. 'It reminds me of the old description of what used to be the law of libel — the greater the truth the greater the libel.' At the same time he acknowledged and welcomed points of agreement, such as the desirability of encouraging local industries. He had never suggested that our land laws were solely responsible for all the depopulation of the countryside; nor had he ever suggested that

- the Small Landholders Bill is going to be a complete remedy for all the evils inflicted upon us by our antiquated system of land laws. Indeed, I distinctly stated that I regarded the Bill as only a beginning of reforms which will have for their effect the amelioration of the social condition of our people.

Then after discussing the local industries in various parts of the county, he went on:

Sir Edward regrets that works were not established in each of the parishes where industries existed, which would have kept the people there, and he goes on to say that years ago the leaders of the operatives were opposed to owning their houses, because this interfered with the facility with which they could move from one district to another. He will be interested to learn that this very real difficulty has been overcome by an ingenious arrangement known as Co-partnership Tenants Housing, by which the interest of the operative in his house is such that it may be easily realized without his having to sell the house at a heavy loss. I shall be very happy to furnish him with particulars of the various associations which are successfully carrying out this principle in various places under the able auspices of my friend Mr. Henry Vivian, M.P., and I can assure him of a hearty welcome if he will allow me to propose him as a member of our Co-partnership Tenants Housing Council.

This very process of taking industrial concerns into the country is going on to-day in other parts of the land. I may mention that only last week those of us who are interested in the Garden City at Letchworth were pleased to see the first sod turned for the works which are to accommodate Messrs. J. & M. Dent, the publishers, with probably 200 operators, who will be housed in the neighbourhood. The Garden City Tenants Association, which is putting up houses on the co-operative principle above mentioned, has now over 100 houses in hand and cannot build them fast enough. As Sir Edward realizes 'that the pressure of overcrowding in our towns is one of the most serious difficulties we have to contend with at the present time', we shall be very glad of his assistance in carrying out the purposes of the Garden City and in moving in the direction of relieving overcrowding in some of our large towns of Scotland by providing similar opportunities for the acquisition of healthy comfortable homes for their workers.

What we do hope the Small Landholders Bill will do for us is that land in suitable places may be obtained for small holdings. It will be the beginning of a release from the antiquated feudal bonds of our present land system.

He commended to Sir Edward a statement by the Hon. G. C. Brodrick, in his *English Land and English Landlords* to the effect that the rural economies of Norway, Italy, Germany, the United States, France, Australia and New Zealand, differed less from each other than any one of them differed from the rural economy of Great Britain:

Perry's View  
of Purpose  
of the  
B.L.

For every one of these countries — however diverse in respect of their soil, their climate, their history, their population, or their political constitution — has cast off the old shell of feudal land laws, has adopted the principles of free trade in land, and has practically fostered the creation of a farmer proprietary superseding, more or less, the relation of landlord and tenant.

Molteno followed up his argument with a number of illustrations. He took the district of Sandy in Bedfordshire where a large number of small holdings and market gardens had been created, averaging from ten to fifteen acres apiece. The produce went chiefly to Northern and Scottish markets. Whole train-loads of parsley, carrots and other vegetables were loaded up at Sandy Station for Glasgow, Manchester and other cities in the North. 'From this one station as much as 200 tons of vegetables has gone in a single night.' He referred also to the enormous and increasing supplies of potatoes which were being grown in Bedfordshire and Cambridgeshire and to the rapid development of small holdings for fruit and vegetables round Evesham. He also quoted the thirty years' experience of Lord Carrington in Buckinghamshire and Lincolnshire, and the extension of fruit-growing in Clyde Valley and the Blairgowrie district. But, he added, 'there must be security of tenure, security for improvements and fair rents. . . . The Small Land Holders Bill ought to be welcomed by every landlord who really knows his own interest'; nor should it be a party question any longer, seeing that Lord Onslow, Minister for Agriculture in Mr. Balfour's administration, had accepted the principle, and had only neglected to prepare a measure for the purpose because, as he said, there was then 'no prospect of its becoming law'.

Young economists and politicians who are ambitious of exerting an influence on public opinion might well take a leaf out of Molteno's book, remembering that he shrank from no labour in collecting accurate facts and figures, and always preferred persuasion and argument to the cheap and easy abuse of opponents which is only too common in political controversy.

In October, 1906, hearing that his friend Sinclair, the Secretary for Scotland, was returning to London, Percy wrote suggesting that there should be an official study of the causes which had operated to reduce the rural population of the Scottish lowlands,<sup>1</sup> and that another Domesday Book should be prepared like that of 1876, showing the landed estates of the United Kingdom. But it should be a return not only of landowners, but also of occupiers, with details of tenure. 'I can see,' he added, 'that we shall have a big fight over the land question, and we want to have all the ammunition that is available ready for use when the time comes.'

Though the Government organized a census of production, it did not embark on a Domesday Book. But Molteno was exploring the subject for himself, and early in 1907 he completed A Plea for Small Holdings, which

<sup>1</sup> Among these the lack of decent cottages was important, and Molteno supported a rural Housing Bill which his friend Mackarness had introduced in April.

Farmers  
Small Holdings

Percy's letter  
- Rational  
Argument  
(Donald M)  
followed  
his letter

A. F. M. C. L.

served as a handbook to hundreds of speakers during the struggle with the House of Lords. It was not confined to the care of Scotland but was equally useful to those engaged in the task of reforming the English land laws.

It was illustrated by arguments and statistics from all parts of the world and by apt quotations from British and foreign authorities. One short paragraph may be taken as an example of his style and method. It follows a quotation from Sismondi in praise of Swiss peasant proprietors:

Adam Smith pointed out before Sismondi that 'a small proprietor, who knows every part of his little territory, who views it with all the affection which property, especially small property, naturally inspires, and who upon that account takes pleasure not only in cultivating but in adorning it, is generally of all improvers the most industrious, the most intelligent and the most successful.'

An excellent illustration of this was given before the Small Holdings Committee. A shoemaker got an acre of land after trying for four years. He planted it with raspberries, and did so well that he was able to buy five acres at a £100 an acre. Then he rented 10 acres at £10 per acre, which formerly let at £1 per acre. Now he has bought 15 acres at £60 per acre. This was at Blairgowrie.

Such arguments as these helped to demolish the objections raised by the great landlords and their factors, or agents, at every turn of the controversy. There were some liberal-minded men among them like Lord Carrington who were converted by the dictates of common sense and the promptings of enlightened selfishness.

Percy did not leave the Act alone, knowing well that its success depended on sympathetic administration. Eventually, before the Great War, he got an additional Treasury grant to accelerate the supply of small holdings in Scotland; and when the war brought everything to grief, he did his best to aid plans for settling invalided soldiers and sailors on the land. What vast labour he expended on these reforms is evident from hundreds of letters, speeches, notes for speeches and illustrative documents — all carefully docketed in a number of boxes, which I have examined in his muniments room. They reveal the prodigious and well-directed industry of an acute and observant mind and of a heart abounding in ardent sympathy for the under dog. It is characteristic of Molteno that his zeal for the reform of the land laws and for the promotion of agriculture by legislation and administration was accompanied by constant experiments of his own and by close attention to what others were doing. Towards the end of August, 1906, he conceived the idea that a large and profitable trade in potatoes might be created between South Africa and Great Britain. The Cape, he thought, might grow new potatoes for the London market. He consulted Mr. Matthew Wallace, whose seed potatoes he had used with great success at Parklands:

Money for Smallholdings

Percy

Molteno in (keys)

TZ

by Percy

Percy got Ted growing potatoes  
for British market

39373 Molteno 342

2177w

Mr. Wallace [he wrote to his brother Frank (August 28th, 1906)] thinks a very good business might be done in new potatoes from the Cape in the early months of the year. As you are aware, they fetch quite fancy prices here. They come first from the Canaries and then from Jersey, which does an enormous trade in them.

He wrote also to his brother Ted, an enterprising farmer at Glen Elgin, who was quite ready to make the experiment, and Percy suggested that a ton of seed potatoes named May Queen should be tried. After describing the difference between the growing of new potatoes and of the main crop, he mentioned that large quantities of seed potatoes were then going from France and Germany to South Africa. He thought the Scottish seed would be better, and enclosed a copy of the *Dumfries Standard* describing Mr. Wallace's farm at Tereglestown and giving some account of the system he had adopted. He also wrote to Mr. Chiappini, a friend of his in London who was a shipper of potatoes. In the course of the autumn Percy arranged with Mr. Wallace for several shipments to his brother Ted. He also discussed the prices likely to be realized in London with Messrs. Dennis, who thought that 15s. per cwt. was as much as could be counted on in the Covent Garden market. He was now arranging to visit the Cape, but before leaving he wrote to Dr. A. J. Viljeón, a Caledon farmer, giving particulars about the shipment of potatoes in cold storage, properly ventilated:

I am very pleased [he added], to see from your letter that a wave of interest is spreading over the Colony in regard to agriculture. This Autumn I have been visiting small holdings in various parts of England. I wish you could have been with me to see the fruit orchards on some of these holdings, as I believe you could do a great deal in a similar way in your district — for instance, with apples, which are one of the best fruits to grow, owing to their keeping and travelling qualities and to the fact that you need not gather them at any particular moment, but can spread the gathering over some days or even weeks. I refer, of course, to the local market, not to the export market over here.

At this time Percy became greatly interested in the problem of providing agricultural labourers with good cottages at low rents. He was taking shares in the first garden city, and wrote to one of its promoters, Aneurin Williams:

I note that you still have great difficulty in housing the unskilled labourer decently at a price within his means. To my mind the cheapest houses, and on the whole the best designed, are those of Mr. Clough. If I remember rightly he produced houses in twos or threes at the rate of £110 per house.

It is a pity that Mr. Clough cannot be resurrected, but the days of free trade and cheap living are over.

Besides Lord Rosebery, who had detached himself from the Party, quite a number of professed Liberals in Scotland were lukewarm, and hoped, secretly or openly, that the House of Lords would wreck the measure. Percy

Rural  
Housing  
TL  
1907

had mastered the subject with his usual thoroughness and kept in close touch with a number of practical men. One of them (Sir) Matthew Wallace, helped him at every stage of a long controversy and defended the measure against hostile majorities before the Scottish Chamber of Agriculture. The opposition to the measure, as Wallace pointed out in a letter to Percy on April 25th, 1907, came from landlords and large tenant farmers. If they could be detached from one another, as he thought might be done, the whole opposition would fall to pieces. At the same time, he confessed: 'I am by no means convinced as yet that small holdings can be an economic success except in exceptional circumstances such as you enumerate in your pamphlet.' Agriculture in Scotland, he thought, must rely mainly on ordinary crops rather than on *petit* culture. Dairying and poultry were certainly suitable for small holdings, but there Denmark and Ireland were already in the field and Irish farmers did not suffer from the competition of manufacturing wages. Wallace also pointed out that much of the land suitable for small holdings was already well farmed. He cited his own farm at Terreglestown and remarked:

My reason and experience compel me to the belief that ten or twelve small holdings on this farm would be a poor substitute for the five guineas per acre of wages which I pay annually.

They must be careful not to allow a diminution in the number of farm labourers and for this purpose he suggested some amendments of the Bill. Another danger was that the machinery of the Act might reproduce what had happened in Ireland.

There an Appeal Court had to be set up, and soon the country was overrun with Commissioners, Sub-commissioners, Appeal Commissioners, Board of Works Inspectors, etc., etc., all peacocking up and down the country and tumbling over one another in first class carriages and in the upper rooms at feasts until they became a perfect Scunner.

It was to be reserved for the post-war period to illustrate the wisdom of this prophetic warning against bureaucracy in agriculture; and Percy was destined to be not only one of its victims but one of its sturdiest opponents. However, the two friends worked together against outside and inside opposition and eventually gained the day in 1909. Percy had another strong supporter in Mr. MacMillan of The Knowe, Kirkconnel, who wrote to him on June 7th, 1907.

I have just read yesterday's proceedings in Committee. I am glad Mr. Sinclair sticks to his guns. . . . Scotland is watching keenly the course of this Bill. Two grand conditions are fixity of tenure and fair rent.

He warned Moltano against the local lairds and factors, and expressed his astonishment at the opposition of Liberals like Munro Ferguson who, it appears, was backed in the Cabinet by Haldane. MacMillan recalled the fruitless effort they had made in the early eighties to get small holdings for Scotland. 'Now after twenty-

today!

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six years the goal is near.' In June at a great meeting in Perth he had heard Alexander Ure whose closely reasoned speech carried conviction to the minds of waverers. In the same month Percy told the Glasgow Liberal Council of the persistent obstruction they were encountering from powerful interests in parliament. He described the Bill as a thoroughly workmanlike, consistent and carefully considered measure, based on practical experience, derived from the working of a similar measure in the crofters' areas.

*Percy setting  
aside  
personal  
interests*

Percy did not allow his own personal interest, or that of his wife, as a landowner in England and Scotland to affect his judgment on the need for a reform of the land laws and the creation of small holdings on terms which would be just and fair to all parties; nor did he allow himself to exaggerate his case or to pretend that a rapid revolution could be effected by the Small Holding Bills.

It must be a matter of time [he wrote to Macmillan] and a very slow process to get the people back to the land. It has taken a good many years to get them off and it will take a good many years to get them on again.

But there were many parts of the country within easy reach of excellent markets which offered good opportunities to small holders for intensive culture.

Last year [he went on (this letter was dated February 6th, 1907)], was a very heavy year with its close attendance at Westminster, etc. I was in Switzerland for a rest after it; but I have given the best part of my holiday to preparing an article on small holdings. I will send you a copy, and you will find many points which you speak of dealt with.

He added:

We shall have to tackle the House of Lords at a very early date. I think it is impossible to continue as if nothing had happened after their action last session. We can promise nothing to our constituents if the House of Lords is to thwart every measure passed by however large a majority.<sup>2</sup> This matter must be brought to an issue before very long.

*His Pamphlet*

The article became a pamphlet, which was issued by the Liberal Publication Department in April, and many thousands of copies were circulated. Among the numerous congratulations which he received there was one from a fruit-grower at Tiptree in Essex (some months later) which deserves mention because early in September, as he wrote to his brother Charlie Percy had been on 'a most interesting visit to Mr. Strutt at his place in Essex':

He took me over some of the farms where he has about 1800 dairy cows and does other farming. His special point is the splendid system of accounts he keeps. He has several books. For instance, he has a book in which each field has an account showing its crop, the tillage and the labour on it and the return in quantity and value, showing exactly what profit and loss there is after charging rent and rates and

<sup>2</sup> The Lords had wrecked the Education Bill of 1906.

taxes. In this way he can tell exactly which of his crops yields a profit and how much. He then summarizes the crops in all the fields under headings such as wheat, oats, barley, mangolds, etc., and gets his average for all the farm. His dairy, his poultry and his pigs are treated in the same way with their respective debits and credits.

It was on this visit that Moltano went over to see an enterprising small holder, Mr. Wilkin, at Tiptree; for on November 10th Mr. Wilkin wrote:

Thanks for your note reviving the pleasant memory of your own and Mr. Strutt's visit. It will not do to speak of my pamphlet at the same time as your own — so full of learning, facts, figures and corroboration from most countries of Europe. Excuse my saying; it is the best argument I have seen. Mine merely labours a plea for retail marts for smallholders.

That Moltano's pamphlet should have made such an impression on an intelligent small holder is a tribute to its practical value. It provided ammunition throughout the controversy to Liberal speakers all over England and Scotland.

In May Merriman wrote to thank Moltano for his pamphlet on small holdings which he had read 'with much interest and cordial agreement':

One thing you omitted, and that is the reform of your wholly barbarous and antiquated system of tenure. I suppose England is the only country in the civilized world without a land registry. Why do you not hold up the Cape system for imitation? Until you can sell land as cheaply and readily as sugar you will never get right. Never was there such a triumph of interested prejudice as the maintenance of your land system.

Major-General Gordon Graham, who owned an estate in Dumfriesshire, had attacked Moltano rather rudely for something that he had seen in the papers about a discussion in the House of Commons on the Small Holders' Bill. Thereupon the member pointed out that

reports of this kind are really very misleading, as they condense remarks which in my case would comprise about two columns if reported as delivered. The result was obscurity and misunderstanding.

The objects and scope of the Bill had been much misrepresented. If landowners would examine its provisions, they would find that the Bill treated all interests concerned fairly. If any of the new smallholders schemes caused loss, the State was to bear it. The system had worked well for many years in the Highlands. Its object was to secure that more people should live on the land and cultivate it.

*Purpose  
B.H.*

I note that you are under the impression that I do not possess any knowledge of agriculture; but I hope you will be reassured when I tell you that I farm my own land and have been acquainted with farming affairs on a large scale all my life, as my father was a large landowner in South Africa, and I with my family have inherited his interests.

Land is falling in value in Great Britain; it is rising in every other country, whether in Europe or our Colonies where action similar to that we now wish to take has been made the subject of legislation. It will rise here too if we succeed in putting more people on the land.

From the House of Commons where he was engaged during July in Committee on the Bill, he wrote an elaborate defence of it to the *Scottish Farmer* in reply to a series of objections raised by Dr. Gillespie, a member of the Dumfriesshire County Council and a Director of the Highland Agricultural Society. He began with Dr. Gillespie's calculation that it would require £600 to provide buildings and equipment for each holding. This he showed to be excessive; then he pointed out the advantage of the willing labour given by a smallholder and his family over hired labour. As to the difficulty about labour-saving machinery on small holdings, he admitted that this was so 'without combination'; but there was ample experience to prove that by co-operation small holders could obtain the use of labour-saving machinery. Another of Dr. Gillespie's objections was that the landowner would cease to expend money on improvements; but as the Bill gave security of tenure, fair rent and security for improvements, the cultivator would have enough proprietorship to encourage him to improve his holding. Moreover, when the Bill had become law, Co-operative Agricultural banks would spring up, and through them capital would be invested in the equipment of small holdings and the improvement of land in Scotland, just as had happened in other countries. He hoped, therefore, they would secure all the advantages to be derived from the most modern discoveries in scientific agriculture.

Dr. Gillespie professed fears about the farm labourer. Molteno on the contrary held that the Bill would prove to be a charter for the farm labourer; it would certainly increase his chances of obtaining a holding. It had also been said that the Bill should aim at ownership, to which Molteno replied that ownership was subject to many risks, and would require much more capital. To offer the landless labourers a tenancy on good conditions was to offer them something they were much more likely to be able to accept than if they were asked to put up money for the purchase of land. At the end of July the Committee stage of the Bill was concluded; but it was wrecked in the House of Lords which, however, allowed the English Bill to go through.

On September 4th, after the Lords had disposed of the Bill, Percy expressed his wrath in a letter to *The Nation*, the Liberal weekly review edited by H. W. Massingham.

The Lords [he wrote] in the wisdom of their generation have thought it safe to flout Scotland as the smaller country in regard to land policy rather than England, the larger country. Under the pressure of the Scottish Small Landholders Bill they have showed a comparative affection for the English Small holdings Bill and allowed its passage without serious mutilation. as an offset to the complete rejection of the Scotch measure.

But Scotland had set its heart upon its own Small Land Holders Bill. Since the extension of the franchise the agricultural labourers had gradually felt their way to using it, and at the last election they had voted in what they believed to be their own interests without being unduly influenced by the wishes of the great land owners. 'All Scotland', he said, was at one in this matter. Representatives of Boroughs and Counties had backed the Small Land Holders Bill with unanimity, but 'Scotland has been sent hungry away by the Lords'. England should now stand shoulder to shoulder with Scotland and repay the debt she owed to Scottish members for the passage of her Small Land Holders Bill.

Sir Walter Scott, who had an unrivalled knowledge and acquaintance with Scotch character, tells us that when the Scotchman gets his head above water he immediately turns it to land.

But the love and affection of Highlanders and Lowlanders for the land of their birth and their desire to cultivate it for themselves had been restrained and prevented by feudal landlords.

From the time of Adam Smith downwards Scotland has been pointed to by economists as a living example of the tremendous evils wrought by the laws of primogeniture and perpetuities, which have led to the agglomeration of land in very few hands, thus divorcing the ownership of the land from its cultivation. . . . While two-thirds of the whole area of England is held by 10,207 persons — far too small a number — two-thirds of the whole area of Scotland is held by 330 persons! Half Scotland is held by 70 persons, who own over nine million acres, equal to the area of the whole kingdom of Denmark.

Not only were deer forests increasing in the Highlands at an enormous rate — one-sixth of Scotland being now under deer forests — but game preservation was doing much harm in the Lowlands.

At one of my meetings in Dumfriesshire in the spring of this year the chairman said: 'The game is everything in this district, not the man. The man has not a chance to exist in this country. As I told the people in Canonbie at the General Election, they are pulling down houses so rapidly to make room for hares and pheasants and game of all kinds that if a man wishes to get married he has to leave the district. It is a disgrace to civilization; it is inhuman. If you walk from here to Newcastleton, ten miles, I don't know if there is another district to match it in the country. You only pass one house on the way and that is a game-keeper's. What we want is to see houses and fields and people all along the wayside; that would put trade right.' The Secretary for Scotland estimates that one-fifth of all Scotland is devoted exclusively to game. The population is diminishing not only relatively but absolutely, while the markets which it might supply are expanding enormously.

Concentration  
of Ownership  
in  
Scotland

(1)

He thought the use of migratory Irish labourers was another proof of the degeneration of Scottish agriculture and he referred to what had taken place in the Campagna round Rome. In Scotland 'our agricultural land is now going down to pasture and our pasture land is going down to moor or heather or rough grass for the support of game'. How hotly he felt about the action of the Lords and the great landowners is shown in a few concluding sentences.

Scotland's elected representatives are determined to alter the land laws and put an end to the strangling of a people by an obsolete system. The Government drew up and introduced the Scotch Small Landholders Bill to effect this object. It had the convinced and enthusiastic support of all land reformers. It was discussed on thirty Parliamentary days extending over a period of between three and four months. It was sent up to the House of Lords by an overwhelming majority of the House of Commons. The Lords have thrown it on the scrap heap. They took the remarkable step of adjourning the Second Reading *sine die*, and then refusing to allow the Second Reading to come on again for discussion unless the Government consented to eviscerate the Bill. The issue is now plain. The House of Lords has long since alienated Ireland. Last year it gave England a blow by the destruction of the Education Bill and the Plural Voting Bill. This Session it has openly flouted Scotland, thus completing the cycle of the three Kingdoms. The prestige and efficiency of Parliament itself are at stake. For it will be impossible to get earnest men to come before the electors to discuss with them urgent problems of reform and to give their time night and day to the passage of the necessary measures if they are to have their labours turned into waste paper by a House composed of non-elected representatives who are wholly out of touch with the people and have no constitutional means of knowing or ascertaining their wishes.

He hoped and trusted that England as well as Scotland would recognize that all hope of effective reform was now bound up in a proper solution of this issue — People versus Peers.

In November, just before Molteno left for South Africa, a Liberal Minister, Lord Tweedmouth, made a speech at Perth which implied criticism of the Small Holdings Bill. When a correspondent drew his attention to it Percy replied: 'This is his own personal opinion, and means nothing more. He did nothing for the Bill in the Lords and I do not believe he understands it.' In spite of Tweedmouth he assured his correspondent that the Government would stand by the Bill.

Percy wants  
House of Lords  
reform

4/9/1907  
to The Nation

17P  
28.4.39.

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CHAPTER XXIII

MR. ASQUITH'S GOVERNMENT AND  
MR. LLOYD GEORGE'S BUDGET  
1908-9

THERE was no doubt as to who would succeed Sir Henry Campbell-Bannerman. Mr. Asquith was a great Parliamentarian, without a rival on the Liberal side in debate, and with a strong grasp of public finance, of law and of the Constitution. On the platform he had done more than anyone else to confute Mr. Chamberlain's Protectionist fallacies and shatter the case for Tariff Reform. But his character was set in a quite different mould from that of his predecessor. Brought up in a Cobdenite and Nonconformist household, he had won his way by scholarship and sheer ability through Oxford and the Bar to the Front Bench in the House of Commons. Then gradually, under the influence of Rosebery and Haldane, his outlook on the world, Colonial and foreign, had changed. Under Rosebery British policy had been directed against France and Russia in Africa and Asia; but when Grey returned to the Foreign Office at the end of 1905, Balance of Power strategy had found new potential enemies in Germany and Austria, and Asquith now allowed Grey and Haldane to pursue a course which soon entangled Great Britain in what amounted to a secret alliance with France and Russia under the guise of an *Entente Cordiale*. In the Cabinet, however, there was a strong party, led by Lord Chancellor Loreburn with the backing of Mr. Lloyd George and Mr. Winston Churchill, which wanted to restore the Concert of Europe by cultivating friendly relations with Germany. Accordingly towards the end of 1908, when Mr. Balfour and the Opposition Press started a demand for more naval armaments, Mr. Lloyd George and Mr. Churchill opposed it vigorously in Parliament and on the platform. But on April 30th, 1908, when Percy Molteno and the Liberal members of the House of Commons met at the Reform Club to congratulate the new Prime Minister and endorse his leadership, problems of domestic reform were uppermost. The Radicals were well pleased with the reconstructed Cabinet in which Mr. Lloyd George gained the Exchequer, Lord Crewe succeeded Lord Elgin at the Colonial Office, Mr. McKenna became First Lord of the Admiralty, Mr. Churchill President of the Board of Trade and Mr. Runciman President of the Board of Education.

Though he had handed over his office to Mr. Lloyd George, Mr. Asquith introduced the Third Budget, which he had already prepared. His work at the Exchequer had been admirable. He had put an end to borrowing for capital account, and had reduced the National Debt in three years by £47 millions, a feat without parallel. Expenditure had been controlled, and the national revenue had grown so satisfactorily that in this Budget Mr. Asquith was able to halve the sugar duties and to set aside a sufficient sum for starting old age pensions—the boon so often promised by Chamberlain as part of the golden future that would be realised under Tariff Reform. The Old Age Pensions Bill, which was intro-

duced a little later, proved to be the most important and popular measure of the year. But for this achievement the great Liberal majority's legislative labours during 1908 were rendered almost fruitless by the House of Lords. The Education Bill was withdrawn, while the Licensing Bill, which sought to put an end by a time limit to the drink monopoly, though carried by huge majorities in the House of Commons, was rejected at the end of the year by an equally large majority in the House of Lords. To this measure Percy gave his full support and presented a number of petitions in its favour from Scotland. On May 12th, after the introduction of the Budget, he wrote in high spirits to a constituent:

Yes, the Budget is splendid, and is another illustration of our getting by Free Trade all Mr. Chamberlain's promised blessings without any of his taxes. It is, I can assure you, a matter of the greatest gratification to us all that it has been possible to make a beginning in caring for the aged poor.

Meanwhile his friend John X. Merriman, now Premier of Cape Colony, had started to do for the finances of the Cape what Asquith had done for ours. Percy wrote to him from the House of Commons on June 8th:

Your deficit is enormous! Here we changed our Ministers earlier, and three years of prudent finance have done wonders, as Asquith's Budget shows. You continued your bad, incompetent Ministers three years longer, and your leeway is all the greater to make up. But a few years of prudent management will do wonders with your finances — they are not at all irretrievably damaged, though they are terribly waterlogged with unproductive expenditure. There is nothing so disastrous as to take large sums from the people, and then have it spent without getting value for it. That is the trouble in Portugal, and it has almost caused revolution.

We have done marvellously with our Free Trade. Look at our finances compared with Germany or even America. Free Trade has responded to every strain put upon it, and it is an object-lesson to the whole world.

At Cape Town, before returning home, Percy had been present at the opening proceedings of the convention which had come together to discuss the union of South Africa; and having found in London that both Botha and Smuts were strong for Union he had come to the conclusion that the time had at last come for federation. In this letter he told Merriman how deeply he had grieved at the death of Philipson-Stow, not only as a personal friend but as a supporter of all good causes. His heart had always been in South Africa.

He could not take root here. 'Excelsior South Africa!' were his dying words. His last message to you all, which he gave me on his deathbed, was to tell you to work together for the good of South Africa, to make it a great country.

Though the Government lost its two principal measures Molteno was not idle in Parliament. Being fond of

Percy pro - Ramblers

39373 Moltano 351

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His  
personal  
approach  
to trespass

Pro -  
Crofters

walking and climbing himself he hated unnecessary restraints against trespassing, and on May 15th, when Charles Trevelyan's Access to Mountains Bill came up for a Second Reading, he spoke in its favour. One of his arguments was that the 1,700 persons who owned 19,000,000 acres of Scottish ground 'were thus able to make the whole of the rest of the population trespassers in their own country'. He also complained that the passing of wastes into private hands often interfered with the training of soldiers. Percy himself frequently ignored notices about 'private land' or 'trespassers will be prosecuted', when he wanted to see a good view and knew that he was doing no damage. Once when we were wandering on a Welsh mountain I asked him if we were trespassing. He replied, 'If anyone objects we will plead "privilegium peregrini", which signifies in Scottish law the ignorance of a foreigner.' In June there was a debate on the Vatersay evictions. Vatersay was an island belonging to Lady Cathcart. It had been seized by crofters and ten were sentenced to two months' imprisonment. Moltano spoke on their behalf. Eventually Lady Cathcart relented, and the men were released. In November Percy spoke in favour of the Scottish Education Bill, a valuable measure which became law in the following month.

During the Session Moltano asked a number of questions in the House about the management of the Suez Canal and the excessive charges on the shipping that passed through. It seemed to him absurd that, when British shipping contributed such an enormous proportion of the Canal dues and when the British Government was so large a shareholder, we should have relatively so little influence over the administration. In course of time the justice of his criticisms came to be acknowledged and took effect. In August, after a visit to his constituency, where he heard the grievances of the fishermen of Annan, a letter came from Merriman describing how as Premier and Finance Minister he had by drastic measures balanced the Cape Budget. Merriman also explained the difficulties of a native franchise for the Union. Percy in reply reminded him of the wonderful success of the experiment in Cape Colony, which had entrusted educated members of the coloured population with the vote in the early 'Fifties.

Percy  
Pro Cape  
Franchise

Its success has been phenomenal. It has preserved peace for over fifty years with one exception - Sir Bartle Frere's wars, which were not due to the colonists. It has resulted at the Cape in producing a contented, a prosperous and a progressive black population.

President

Where the native interest was represented, as in Cape Colony, it could make itself felt at the elections by giving political support to the party which would treat it fairly. Where the native had no franchise and was treated unfairly, he had 'nothing but physical force to assist him, and so you get war and rebellion'. At the same time he was inclined to agree with Merriman that to propose a native franchise for the whole of South Africa at the Convention which was about to meet might endanger the acceptance of the new Constitution.

In December Percy had successful meetings in his constituency. After the Lords had thrown out the Licensing Bill he attended a dinner to Mr. Asquith in London at which the Prime Minister's speech, so he wrote to one of his supporters, was satisfactory as far as it went. 'We could hardly have expected a more explicit declaration of the exact measures to be adopted to bring the matter to an issue between the Lords and the Commons.' But the challenge must be met. He expected a general election in 1909, and was quite ready for the fight.

The year 1909 was destined to be one of the most important and crucial in our constitutional history; for it brought the issue between the House of Commons and the House of Lords to a decision through the action of the Peers in rejecting Mr. Lloyd George's Budget and so challenging the hitherto unchallenged authority of the people's representatives over expenditure and taxation. The struggle proved long and bitter, and the Parliament Act restricting the Lords' Veto was only achieved after two general elections. There is no doubt that the Peers were encouraged by the political successes of the Unionist Party at by-elections after their rejection of the 1908 Licensing Bill, which had converted brewers, distillers and tied-house publicans all over the country into an active political combination against the Liberal Party. The tremendous power of the brewers came into full play, and another hornet's nest was to be stirred up among the landowners and other important investment interests connected with the land by the land taxes which Mr. Lloyd George inserted in 'the People's Budget'.

For India also 1909 was an important year, as it saw Morley's reforms of the Government of India placed upon the Statute Book; and on the very first day of the New Year Molteno penned a letter from the House of Commons in reply to a request from the editor of the *Indian Review*, Madras, for his views on the reform proposals introduced by Viscount Morley in his statement to the House of Lords.

I am glad [he wrote] to comply with your desire, because I think these reforms are likely to be of the greatest value and importance to India. . . . They seem to me to promise development in the right direction and to offer a beginning of constitutional government in your great country.

He thought it would be of immense value to associate the spirit of the Indian people with their government, and to impress upon it the stamp of their character.

All will depend upon the character of the men selected, their capacity, and the extent to which they are fitted to discharge properly the high duties which will be entrusted to them. They will have an opportunity now such as they never hitherto possessed. . . .

The way would no doubt be difficult; for there were many obstacles to be overcome. In conclusion he reminded the editor of a truth which became only too clear in Europe after the Peace of Versailles, when a number of new 'democracies' were created in accordance with the doctrine of self-determination.

Where free institutions are initiated, there to a greater extent than in any other form of government [wrote Molteno] success depends on the character of those who are called upon to serve their fellow-countrymen in a representative capacity.

But he felt that a great step had been taken, with the co-operation of Minto, by Morley, 'whose name is so honourably associated with the love of freedom'.

At this time Professor T. B. Wood, in the Department of Agriculture at Cambridge, was making experiments which led to important discoveries in the application of Mendel's theory to wheat and other grains. He eventually produced varieties suited to different soils and climates, light or heavy, wet or dry. Percy was keenly interested, and as his brother Ted was also an ardent experimentalist, he wrote to Wood on January 4th asking him to place Ted's name on the mailing list for a *Guide to Experiments* which Wood was issuing. 'My brother', he added, 'is an old Pembroke College man and is carrying out experiments with fertilizers and on other subjects connected with horticulture in South Africa.' Two days later he wrote to Charlie:

I am leaving for Scotland at the end of this week, where I have a good deal of speaking to do. With regard to the Lords, I do not see how matters can go on. Asquith has clearly stated that the struggle between them and the Commons must be the dominating issue. My own opinion is that everything should be subordinated to bringing them to book and placing matters on a satisfactory footing for the future. We shall look eagerly for news of the result of your Convention, which ought soon to be made public.

Percy

pro-taming  
House of  
Lords

His meetings in Dumfriesshire had been 'most satisfactory', but he hoped the Government would not go on during the Session as if nothing had happened. 'It would be impossible to keep up the spirits of our Party if we allow the Lords question to get into a backwater. We have got to act so as to make it the dominant question.'

From January, 1909, onwards the political situation developed rapidly, but not quite as Molteno wished. He wanted a Bill to be drafted on the lines of the proposal originally made by John Bright and approved by Campbell-Bannerman for restricting the Veto of the House of Lords. This all-important statutory amendment of our unwritten Constitution should, he thought, be made the principal measure of the Session, and after it had been carried—as it certainly would be—by an overwhelming majority in the House of Commons and rejected—as it certainly would be—by a similar majority in the House of Lords, Parliament should be dissolved and the country asked for its verdict on this single issue. But a speech at this time by Mr. Winston Churchill seemed to indicate that the Government would go on through another Session as if nothing had happened and would only dissolve and appeal to the country if the Lords threw out the Budget. Thereupon, January 16th, Percy wrote to Vaughan Nash, Asquith's private secretary, urging strongly that the Lords must really be tackled and pointing out the danger that the issue might be obscured or

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blurred if it were not clearly defined and kept apart from other controversies:

Would it not be possible to have a Bill limiting the Lords' Veto on some lines similar to the Bill which C.-B. foreshadowed, and discuss it at full length — indeed, devote the Session to that and the Budget, so that there need be no use of the closure in carrying the Bill, as would be fitting when so considerable a constitutional change was proposed? This will educate the country as to what the issue really is, and so force it into prominence as *the* issue of the Election. This course would have the further advantage of clearing the ground for the immediate demand of the power to create Peers to modify the Veto, should the General Election go in our favour.

In this suggestion of what should be done and forecast of what might happen Molteno displayed the wisdom of the serpent and the perspicacity of a true prophet; for he went on to express his belief that the Lords would reject the Budget and force the Government to dissolve on this instead of on the larger constitutional issue of the Lords' Veto on legislation; whereas, if his plan were adopted, Liberal members would be able to go to their constituencies in the autumn with a splendid weapon in their hands. They would be able to show what reckless use the Lords had made of their powers and would be able to explain the whole constitutional issue to the electorate:

Then let us have the Dissolution and General Election early in 1910 on a fresh register, which is very important for us. I have just been in my constituency holding meetings. Things are very ripe there, and readiness everywhere to deal with the Lords. But we must not let our supporters get stale on this issue or discouraged. I would write to Asquith to the above effect unless you can let him see this letter.

Vaughan Nash laid the letter before Mr. Asquith; but the views of Mr. Lloyd George and Mr. Churchill prevailed. No Bill to limit the Lords' general Veto on legislation was introduced. A contentious Budget occupied the whole Session, with the result that there were two general elections instead of the one that should have sufficed and an unnecessary prolongation of a controversy which might just as well have been decided in 1910 as in 1911.

Fortunately for the Liberal Party on the eve of its great and final struggle with the House of Lords, the King's Speech on February 16th was able to announce friendly relations with foreign powers and in particular:

I was much impressed and gratified by the warmth of the public reception given to the Queen and myself during our recent visit to the German Emperor and Empress at Berlin by all classes of the community. It afforded us great pleasure to meet Their Majesties again, and I feel confident that the expression of cordial welcome which there greeted us will tend to strengthen those amicable feelings between the two countries which are essential to their mutual welfare and to the maintenance of peace.

Sir Edward Grey also looked forward to an improvement in the Balkan situation, but had to admit that there was serious trouble with Russia over Persia, which was to end tragically for that unfortunate country.

In addressing the House of Commons, the Speech conveyed a warning that, owing to the cost of old age pensions and increased expenditure on the Navy,

the provision necessary for the services of the State in the ensuing year will require very serious consideration, and in consequence less time will be available for the consideration of other legislative measures.

In a Fiscal Debate on the Address the Tariff Reformers came off badly. Only 107 votes were recorded for their amendment, which Mr. Winston Churchill described as 'an attempt to exploit the misery of the poor in a propaganda for the enrichment of the rich'. The Conservative Party, however, was recovering a little ground at by-elections. But Liberals were in good spirits, and when the Convention held at Cape Town led to a unanimous decision in favour of Union and an agreement on a draft constitution, Molteno and his friends could say that C.-B.'s policy of granting self-government to the Transvaal and Orange River Colonies had received its supreme justification more fully and more swiftly than even the most sanguine of them had expected. This was the policy which as lately as June, 1908, Lord Milner had described as 'a hollow fraud and the prelude to great dangers and difficulties for my fellow-countrymen'.

Though the Opposition could make no play with either Tariff Reform or South Africa, they found material for an attack on the Government in an agitation for more battleships in connection with Germany's naval programme. Our preponderance was enormous; but by starting the dreadnought, or super-battleship, which was supposed rightly or wrongly to render the smaller types more or less ineffective, Sir John Fisher had enabled and almost invited any other Power to challenge British naval supremacy, and Germany was spending large sums on this type of ship. 'We want eight and we won't wait' became the cry of the sensational Press. Mr. Garvin denounced all who preferred a friendly arrangement to another insane race in armaments as the Suicide Club. Mr. Balfour was the protagonist of what Mr. Churchill called 'the dreadnought, fear-all school', and Mr. Churchill, who was then Mr. Lloyd George's rival for the leadership of the Radicals, described the German scare as 'a false lying panic started in the party interests of the Conservatives', and denounced at Manchester the idea of 'a braggart and sensational expenditure on armaments'. He told an Edinburgh audience that he could see no real antagonism of interests between England and Germany, and promised that the Government would not be driven by the

windy agitation of ignorant, interested and excited hotheads into wasting public money upon armaments on a scale clearly not designed merely for purposes of material defence, but as part of a showy, sensational, aggressive and Jingo policy, which is supposed to gain popularity from certain unthinking sections of the community.

Perry  
SA

He said further, in a really fine piece of eloquence:

In my judgment a Liberal is a man who ought to keep cool in the presence of Jingo clamour. He is a man who believes that confidence between nations begets confidence, and that the spirit of peace and goodwill makes the safety it seeks.

As the Budget approached, sober influences began to prevail, and the agitation died down when it became known that the Cabinet would provide for an increase of naval expenditure on battleships by additions to taxation. Prince Bülow, the German Chancellor, made a friendly speech showing that the German battleship programme had been much exaggerated by Balfour, and Sir Edward Grey added some weighty words on the growth of naval and military expenditure in Europe:

You may call it national insurance. That is perfectly true; but it is equally true that half the national revenue of the great countries in Europe is being spent on what are, after all, preparations to kill each other. Surely the extent to which this expenditure has grown really becomes a satire and a reflection on civilization. Not in our generation perhaps; but if it goes on at the rate to which it has recently increased, sooner or later I believe it will submerge that civilization. The burden, if it goes on at this rate, must lead to national bankruptcy.

Percy worried  
re  
approaching  
World War I

The anxieties of Percy Molteno and an influential group of independent private members with whom he had begun to act on questions of foreign policy, armaments and finance were assuaged by these Ministerial statements and assurances. On April 21st a debate in the House of Commons brought arguments from Conservatives as well as Liberals against the policy of prize money and capture at sea which Lord Chancellor Loreburn was using all his influence to abolish.

Then came the Budget. The Naval Estimates had provided for an increase of nearly £3 millions, which Balfour declared to be inadequate, and a vote of censure was moved on March 29th only to be defeated by a majority of 353 to 135. The estimates for the Army were not raised, though its efficiency was being improved by Haldane. But besides the £3 millions for the Navy £7 millions were required for old age pensions and about £1 million for the improvement of main roads, a National Development Fund, Labour Exchanges, and Land Valuation. A large, and as it proved excessive, allowance of over £3 millions for a lessened yield in existing taxes left Mr. Lloyd George, when he opened his famous Budget on April 29th, with a prospective deficit of £14,150,000. The estimated expenditure was raised from less than £153 millions to over £161 millions, and Mr. Lloyd George proposed to find most of his money by additions to the income tax, the death duties, liquor licences, stamp duties, spirits and tobacco. He also imposed new taxation on motor-cars and petrol. Loud protests were raised in the City and the House of Lords at the raising of the income tax from a shilling to fourteen pence in the pound, and the imposition of a super-tax graduated up to sixpence on incomes exceeding £5,000 a year added to the miseries of the rich. Strong objections, for which

more was to be said, were lodged against additions to the death duties on large estates, which were increased to a maximum of 15 per cent. on estates exceeding £1 million. It was argued that these measures would drive capital out of the country; but it was a new invention, the land taxes, that set the House of Lords on fire. There was much to be said against them. They were complicated, they could not at first yield much revenue and they required new machinery for their collection. The cost of valuation was set down at £50,000 for the first year. On general principles it would have been better to clear the ground by getting rid of the old land tax which still remained on many properties, though it had been partially redeemed under a scheme of voluntary redemption started by Pitt to raise money for the war with France. But Mr. Lloyd George was in a hurry, and he pressed forward with the double object of incensing the great Tory landowners in the House of Lords and of propitiating an active section of Radicals, the disciples of Henry George, who held that the whole revenue of the country might, and should, be raised by a single tax on land. He also aimed at satisfying the just theory (which had been adopted by John Stuart Mill) that the unearned increment of land, resulting mainly from the growth of towns, should contribute to local rates or taxes. Of the four land and minerals duties proposed by Mr. Lloyd George the most important therefore was the Increment Value Duty levied on the amount, if any, by which the site value of the land exceeded the original site value when the tax became due. This made a definition of site value and a valuation of land essential to the taxes. The Opposition argued that the land clauses of the Budget ought to have been the subject of a separate Bill and should not have been incorporated in the Budget as they had little or no bearing on the revenue of the year. It was mainly on this pretext, or justification, that the House of Lords at the end of the year fulfilled the hopes and anticipations of Mr. Lloyd George and Mr. Churchill by throwing out the Budget. As soon as the Budget was launched, Molteno predicted with perfect accuracy that it would involve a year's work for the House of Commons.

I am glad [he wrote to a constituent] that you welcome the Budget. It is a very bold one, and will take a vast amount of work in Parliament to get it through, as it touches so many new taxes. This and other matters before the House will keep us going pretty well to Christmas I should think.

Haldane had helped Lloyd George to devise the land taxes, but neither of them understood as Molteno did the economics of the subject or the difficulties involved. As soon as the City financiers and experts in the intricacies of urban land investments began to examine the proposals it became plain that they would have to be amended in many respects. Molteno perceived this at once and wrote to another correspondent:

No doubt in regard to the land taxes many exceptions will have to be provided for, which will tend to make them less burdensome upon the small man than you appear to think. The whole object of the Budget

is to make taxation on the small man as light as possible, putting it on the shoulders of the more wealthy and those who are able to bear it. There is no intention to tax the full value of the land. Mortgages must of course be allowed for in any taxation.

Though he gave the Budget his general support, he was, as he wrote to a friend in June, rather concerned about its effect upon agriculture. The death duties, he felt, 'will press very heavily on landowners, who will find it difficult to meet them out of their resources', and as they were 'the financiers of the rural districts' agriculture might suffer serious detriment from being deprived of capital. Before raising the death duties, they should have made the country less dependent on large landowners by organizing rural credit. An accumulation of taxes on the landowner had never, he thought, been advocated by the land-taxers. 'With regard to the Budget generally it appears to me to abandon economy as a principle entirely, which I regard as very serious.' He also regretted very much that the land laws were not being modified, and wrote to Alexander Ure:

I do not think we shall ever really reform our land system until we abolish primogeniture, settlements and entails, as has been done in most of the civilized countries of Europe.

Some unauthorized paragraphs having appeared, he informed a correspondent towards the end of June that he did not intend to take any active part on amendments to the land taxes; but he made it plain to his Agent and leading supporters that he would not tolerate the attempts made by Mr. Llewellyn Davies and a few others to undermine his own leadership in the constituency. It was a pity, he wrote, that Davies should go on in this way, as it would only injure the Party. 'He is a very good fellow, but seems rather inclined to think that he has a monopoly of all knowledge and all discretion.'

In spite of his strong feelings about foreign policy and the armaments race and the abandonment of economy, he was ready to support the Budget as a fair method of providing for the expenditure on which they could go with confidence to the country if the House of Lords carried out their threats of rejecting it.

At the beginning of September his Agent warned him that the Duke of Buccleuch had been stirred to activity by the Budget and suggested the desirability of meetings. Molteno replied: 'I do not know when the Session is to end here, and when it does I must have some holiday.'

It is amusing now to read over some of the speeches made against the 'iniquitous', 'punitive' and 'confiscatory' taxes of Mr. Lloyd George's 1909 Budget. How happy would taxpayers, rich and poor, just thirty years later be to return to those halcyon days when the standard rate of income tax was fourteen pence and the highest rate on the highest incomes less than twenty pence in the pound, and when all the comforts and luxuries of everyday life were untaxed or (in a few cases) subjected to comparatively small Customs and Excise duties. The

Tariff Reformers said that, instead of screwing up the inquisitorial income tax and ruinous death duties, Mr. Lloyd George should have found the money by taxing foreign luxuries. The Duke of Rutland said that he personally would 'like to put a gag into the mouth of every Labour Member in the country and keep it there'. Lord Galway said the House of Lords would be 'false to its duty' if it did not force a dissolution on any Budget of which it disapproved. Lord Rosebery hated the Budget but feared still more 'the tumultuous hazards of a General Election'. Lord Revelstoke said the Budget had undermined confidence in public credit. 'British savings were fleeing from a threatened area to quarters (such as Russia!) where capital is more warmly welcomed.' He complained bitterly that Consols had 'quite lately fallen to a point at which they yield three per cent to the buyer'. Lord Milner said the Budget was bad and 'if we have a right to prevent it, it is our duty to prevent it and to damn the consequences'. It was not difficult for politicians like Mr. Lloyd George and Mr. Churchill to make popular squibs and crackers out of the Peers versus People issue in 1909 and 1910.

The opportunity for a holiday — a very short one — came at the beginning of November. On the fourth of that month the Finance Bill was read a third time by a majority of 379 to 149, and on the following day the House of Commons adjourned. On November 8th the House of Lords began to discuss the Bill. On the 16th Lord Lansdowne gave notice of a motion to reject it, and on November 30th he carried the day by a majority of 350 to 75. Then the House of Commons resumed business, and on December 2nd the Prime Minister moved

that the action of the House of Lords in refusing to pass into law the financial provision made by this House for the service of the year is a breach of the Constitution and a usurpation of the rights of the Commons.

This motion was carried by 351 votes to 135, and on the following day the Parliament of 1906 came to an end. The King's Speech in addressing the Gentlemen of the House of Commons said:

I thank you for the liberality and care with which you provided for the heavy additions to the national expenditure due to the requirements of imperial defence and social reform. I regret that that provision has proved unavailing.

The General Election campaign began in December. Mr. Asquith made the key speech at the Albert Hall on the 10th, but his address to the electors of East Fife was not issued till January 10th, 1910, five days before polling began. After describing the Budget he pointed out that *it had been fully discussed in the House of Commons and approved by an overwhelming majority*, and that thereupon the House of Lords had rejected the whole provision made by the Commons for the finance of the year. It was

a proceeding without precedent in our history, a wanton breach of the settled practice of the Constitution, and an assumption on the part of the non-representative House of a power to control taxation which has

been repudiated in the past by Tory as emphatically as by Liberal statesmen.

This outrage had been committed in the hope of saving the cause of Tariff Reform. Free Trade and popular government were both at stake, but there was a larger issue. The claim of the Lords to control finance was novel

but the experience of the Parliament, which has to-day been dissolved, shows that the possession of an unlimited Veto by a partisan Second Chamber is an insuperable obstacle to democratic legislation.

When there was a Tory majority in the House of Commons, the House of Lords was ready to accept such violent innovations as the Education Act of 1902 and the Licensing Act of 1904. But when there was a Liberal majority, as had been demonstrated during the last four years, the House of Lords rendered it impotent to place on the Statute Book the very measures it had been sent to Westminster to pass into law. Therefore—as he had said at the Albert Hall—the limitation of the Lords' Veto was 'the first and most urgent step to be taken'.

With this statement Percy Moltano was in hearty agreement and he carried the message in a series of speeches to all parts of his constituency.

Before concluding a chapter which has necessarily been devoted to the 'People's Budget', the great event of the year, we must go back to record a few incidents in Percy's life and correspondence. His interest in South Africa continued unabated. In January he gave bound copies of his *Life of Sir J. C. Moltano* as prizes to the students at the Diocesan College at Rondebosch, the Victoria College at Stellenbosch and the Huguenot College for women at Wellington, all in Cape Colony. As there was in existence no good history of later times for the Cape, and as his work to some extent took the place of such a history, he hoped it would prove of more than biographical value. At the same time he trusted that the life of a statesman who had done so much to promote the welfare of their country would encourage and stimulate a new generation of South Africans to follow his example.

In March, 1909, one of those disasters which so often afflict farmers in South Africa brought a despairing letter from Wallace. A terrific flood had swept over his place after a long drought. Charlie had hastened to Cape Town to see what could be done. Percy wrote to Wallace:

I can well understand your feelings of despair on first contemplating the ruin and havoc. But I hope that a fuller examination may have disclosed less damage than was at first anticipated.

In any case the rains must have benefited the veldt. He wanted to know the extent of the damage and the plans for dealing with the repairs. They need not expect a recurrence of a flood which was beyond all living record, but before restoring the weir it would be well to decide whether it might not be rebuilt at a better place. He at once offered to contribute £500 towards putting the damage right, and had cabled to that effect.

1909 - flood at  
Nelsport  
TX? 'from'

Do not dwell too much on the past [he wrote], but tackle the future with hope and determination. I remember the bursting of the Beaufort Dam and the terrible havoc, and how bravely they tackled the job and repaired the Dam.

At the same time he sent some suggestions as to where the weir might be rebuilt, and how the system of irrigation might be improved.

The damage, as he had hoped, turned out to be less serious than was at first anticipated.

On April 14th he wrote to Charlie:

We have just suffered a very sad loss in the death of Sir Donald who passed away yesterday. You know what a large place he occupied in the family life here, and there will be a corresponding blank now. He had much to be thankful for, as he retained his clear mental power and grasp to the last, also his splendid memory. It was a case of the body wearing out before the mind and brain. He was at ease in regard to all his business matters and arrangements and was content to go.

You know his great ability and his splendid grasp of matters. It was a great pleasure to work with him in business, as he was so quick to see all the points of view and so untiring in his wish to get everything done thoroughly. He never spared himself as to work. It is a great loss to be deprived of his judgment and immense experience. He fought against the disease with a courage and a spirit which were wonderful and prolonged his life beyond what could have been hoped for. He was worn to a shadow at last. His daughters and Lady Currie were all with him when he died, and he passed away quite peacefully. We shall all miss him sadly.

He was much concerned at this time by accounts of Wallace's ill health, and urged him to come to London to consult doctors and recruit, leaving Cornelius Lemmer to look after the farm.

On May 12th, 1909, at the invitation of Sir Henry Roscoe and Sir William Ramsay, the Honorary and Acting Presidents, Percy attended the opening of the Seventh International Congress of Applied Chemistry at the Royal Albert Hall on May 27th; and in the following month he accepted the invitation of the Duke of Devonshire and Mr. R. B. Haldane to the Inaugural Banquet of the British Empire Club in the Guildhall.

On June 16th Percy wrote to Colonel J. B. Seely, M.P., at the Colonial Office, regretting that the Government was unable to give even the limited encouragement which the Union-Castle Line had hoped for to British shipping services to the East Coast of Africa.

The complete handing over to a foreign company of the whole trade of that coast, giving it the full benefit of the expenditure of British capital in Uganda.

The situation is of course most seriously aggravated by the enormous charges of the Suez Canal Company, which are really outrageous and a tremendous handicap to British shipping. You know the detriment these charges are to East Africa and Australia and New Zealand, as you are aware of the protests that have been raised. Can nothing be done to get a reduction of these dues out of the enormous profits that the British

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Government receives, chiefly from British shipping, in dividends on their Suez Canal shares? May I ask whether, in the event of our being able to arrange some sort of cargo service to Mombasa, you would be prepared to give us all the Government cargo at an agreed rate?

In August Mr. and Mrs. Merriman were in London, and on the 20th in a letter inviting them to dinner Percy wrote to the Cape Premier:

Accept my warm congratulations to you and your colleagues on the successful passage of the South African Bill through the House of Commons.

I wish you could have been present for the Third Reading speeches, which you should look at in the report of the Debate. Asquith made a grand speech and Walter Long a very good one. The unanimity of the House was remarkable.

Earlier in the year, during the last stages of the discussions at Cape Town on the Convention which was shaping the future destinies of South Africa, Percy in a series of letters to Merriman and his brother Charlie, which were shown to other leading politicians, had made a last gallant but unavailing effort to save the natives from uncontrolled domination by their white masters. His chief objection was to the clause in the Constitution which would confine citizenship to those of European race descent. It was a very serious question for the House of Commons, which would have to ratify the new Constitution:

Percy's from  
a Union

We are asked to establish a small oligarchy in South Africa, from which is to be excluded the majority of British subjects in South Africa. However able or well qualified they may be — and they too the original inhabitants who have and know no other country than South Africa — they are to be for ever denied the right of full citizenship in their own country, while a new-comer of five years' standing can have what is denied them for ever.

In no other Constitution in the Empire is such a clause embodied except the Transvaal and O.R.C. where it was compelled by the Vereeniging terms. All other Constitutions are free, and indeed in New Zealand the natives have sat for long in Parliament.

Then how ungenerous! We have trusted the Dutch and given them all privileges: they surely do not wish to deny the other British subjects what they *value* so much for themselves.

Again, we have just announced through the King's message to India that race and colour are no longer to be a bar to the promotion of merit to the very highest offices in the State. How then can we assent to this limitation being established in South Africa?

Is it not strange that a country like South Africa, which has already suffered such evils from Racialism, should now try to perpetuate them?

They should take a warning from the United States, where, after years of war and destruction, slavery was abolished and Article 15 added to the Constitution providing that the right of citizens to vote should not be 'denied or abridged on account of race, colour, or previous condition of servitude'. Sir Charles Dilke and others in Parliament were gravely disturbed, and it would be very unfortunate if dissentient voices were raised at Westminster.

Can you hope for a blessing on your work when you ask us to inaugurate your new Union by an act of the most profound injustice to the majority of your fellow British subjects in South Africa?

These eloquent protests did not fall on deaf ears. Merriman, Sauer and Hofmeyr were sympathetic, but the Boer leaders carried the day.

What a pity [wrote Moltano to Merriman (on March 3)] that Hofmeyr did not take his share of responsibility in the Convention instead of merely attacking the results! Yes [he went on], you were right. C.-B.'s death is an irreparable loss, and we are entering on more troubled seas.

When the South African Union Bill came up for the assent of the Imperial Parliament in August, the debates in both Houses turned on the 'colour bar' and numerous amendments were proposed in the interests of natives. Mr. Asquith admitted a unanimous feeling of regret that it had been set up. But there was no doubt that, if an amendment were carried, the Union of South Africa would be wrecked; for the Bill as it stood was a delicately balanced compromise representing the deliberate judgment of the four South African Parliaments. Moltano and his friends recognized this and acquiesced, hoping (as he said) that the injustice would some day be admitted and that the Union Parliament would itself find a remedy.

You will see [he wrote to Sir Henry de Villiers on August 20th] that the forecast I made as to the effect of the restriction 'European descent' has been borne out. Every speaker in the House has deplored this; but while doing so have refrained from interfering by overriding what you have done.

He never deserted the cause of the natives, and in the last year of his life an amendment to the Constitution was passed which has given the natives of South Africa an indirect voice in Parliament and a constitutional means of making their grievances known. It may here be added that in one of his letters at this time Percy records a long talk with the Earl of Crewe who had succeeded Elgin at the Colonial Office, and found that he took 'a very just, sane, and sound view of affairs in South Africa'.

By way of postscript to this chapter I may add an appreciation by Sir William Collins of Percy Moltano as a parliamentarian:

In the House of Commons between 1906 and 1910 and again in 1916-18 I saw a good deal of Mr. Moltano; also at the Reform Club and at my house at Eastbourne I often enjoyed long talks with him. He was always courageous and unconventional, and not afraid to espouse an unpopular cause if he was convinced that it was just. He was always listened to with respect in the House even by those who deeply differed from him. His knowledge of South African politics was helpful to Sir Henry Campbell-Bannerman, and was influential in determining the latter's policy after the South African war. His scholarship and intellectual power made him formidable in debate, while a pleasant diction and charm of manner disarmed his would-be opponents.

In Moltano, unlike so many intellectuals, hardness of head was united with a rare softness of heart.

Wife  
SA

IAP. 24.8.39.

CHAPTER XXIV

THE TWO ELECTIONS YEAR, 1910

IMMEDIATELY after Christmas Molteno took the field. Balfour Brown had retired and the Conservatives had adopted a much stronger candidate in W. Murray, a local landowner. On January 8th Molteno issued his Election Address. Its early paragraphs struck the dominant note and marked out the issue with masterly skill:

Four years have now elapsed since you did me the honour of electing me as your representative in Parliament. Parliament had still three years to run, but the action of the House of Lords in rejecting the Budget has brought about a serious constitutional crisis and has rendered a General Election necessary.

Having mutilated many important measures passed by the House of Commons and many others which have received the assent of that House after the most exhaustive and painstaking discussion, the House of Lords has finally brought the beneficent work of Parliament to a complete standstill.

The hostility of the House of Lords to the House of Commons became apparent in the first Session by its rejection of the most important measures of the people's House. It was continued throughout and has culminated in the rejection of the Budget. This interference of the Lords with finance is unprecedented. It is a breach of the Constitution, an infringement of the prerogative of the Crown and a usurpation of the rights of the House of Commons.

I heartily support the Prime Minister in the policy laid down by him of securing, first the absolute control of the House of Commons over finance, secondly the effective limitation and curtailment of the legislative powers of the House of Lords, and thirdly the maintenance of free trade.

Molteno went on to say that he had constantly supported the Government's measures of social reform, that he rejoiced in the Old Age Pensions Act and had backed the Small Landholders Bill, 'one of the chief measures for Scotland upon which the House of Lords vented its destructive veto'. He approved of Home Rule for Ireland and found an argument for it in the congestion of Parliamentary business. He would continue to support the principle of taxation of land values and temperance reform.

Trade was advancing enormously and Chamberlain's 'lugubrious prophecies' had been scattered to the winds. Nevertheless, tariff reform now proposed to tax all food and other necessities of life. 'It is thus Protection pure and simple, and as such will have my uncompromising opposition.'

Finally:

I am entirely against militarism and aggression, and I believe that Free Trade, Peace and Goodwill among Nations, with retrenchment and reform at home, will confer the greatest blessings upon our country.

Perry's Stand  
Other Issue

But silent  
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He asked the electors to defend, preserve and enlarge the rights of the House of Commons, 'the greatest instrument of liberty the world has ever seen'. If the electors did him the honour of again returning him as their representative in Parliament he promised to give 'a general but independent support to the Liberal Government now in power and particularly to the Prime Minister in carrying out the programme he announced at the Albert Hall, London, on December 10th'.

An attempt was made by a pensioned naval officer in the constituency to divert attention to the Navy and to make out by false statistics that the scare promoted by the Opposition was well-founded. Molteno demonstrated in a long letter to the *Dumfries and Galloway Standard*, with ample quotations from the highest authorities that the statistics were false and the statements rash and inaccurate. The officer said that the report of his remarks was misleading and sent a correction to the local newspapers; but the Liberal candidate took the opportunity of exposing the wicked and unpatriotic outburst of the Yellow Press and the mischief it had done by creating international hatreds and decrying the strength of the country and the power and prowess of its Navy. He added that he had a great regard for the Navy in which his brother and many friends were serving. The result of the polling was announced on January 21st

P. A. Molteno	.	.	4,666
W. Murray	.	.	4,091
			Majority 575

There was great jubilation among Molteno's supporters. The Dumfries Burghs were also held by Gulland, but Major M'Micking lost the neighbouring seat in the Stewartry. It was not to be expected that the enormous Liberal majority of 1906 could be maintained. In that year almost anyone who called himself a Liberal could win a seat; this time many constituencies, especially in southern England and East Anglia, returned to their traditional Conservatism. The net Unionist gain from all parties was 105. This left a Liberal majority of 63 in Great Britain, and a total majority of Liberals, Labour men and Irish Nationalists of 124 over the Unionist Opposition. There was therefore a very large majority against the House of Lords; but another very important result of the election was that the Liberal Imperialists were no longer able to continue their policy of postponing Home Rule for Ireland. The Irish Nationalists naturally made their support dependent on the introduction and passage into law of a Home Rule Bill. This was quite in accordance with the wishes of the rank and file of Mr. Asquith's supporters; nor did the Prime Minister and his colleagues find any difficulty in accommodating themselves to the change of circumstances.

No sooner was the General Election over than whispers of a compromise on the House of Lords question began to be heard in London. It was even suggested that a reform of the House of Lords might be substituted for a restriction of its powers; and this proved to be the policy of Lord Rosebery. Percy Molteno was much disturbed and acted promptly, as will be seen from the following

on suffrage for women? — see p. 374  
CHECK IN HANSARD

letter marked 'Private and Confidential' which he addressed on February 7th, 1910, to the Prime Minister.

My dear Asquith,

Allow me to congratulate you on your re-election by an increased majority, and on securing such a good majority throughout the country against the Peers. We have a majority against them in England and Wales together, in Scotland and in Ireland. I am sure you know the feeling of Scotland that the issue has been Peers versus People, and the People having won the Peers must be dealt with as the first matter.

*Peers process  
PM reform of  
House of Lords*

I hope it may be possible to get guarantees at once, before Parliament meets, from the Crown to secure the creation of Peers, if it becomes necessary, for your Bill dealing with the Lords' power over finance and also curtailing their legislative Veto. We have had a fight on this issue and we have won. We are entitled to carry our measure, which must be outlined in the King's Speech. Of what use to do this, if we are not to have the power to carry it out? Now comes the proper time to ask for guarantees before the issue is clouded or obscured. You and other Ministers put the issue plainly — that you would not take office again without guarantees. You have won, thus entitling you to ask for guarantees at once.

The Crown must surely hesitate to plunge the country at once into a new Election on the issue just settled by the General Election. If it did, it would run the risk of strong criticism at the Election for having refused to give effect to the one just held, and putting the country to the cost and disturbance of a new Election on exactly the same issue. This would be clear if it refuses *now* — not so clear if we wait three months or six months.

As to the Reform Bill of 1832 and the creation of Peers, Sir James Graham's secret memorandum (made public only in 1907 in Parker's *Life of Sir James Graham*, Page 130) is worth looking at; also his letter to Lord Grey (Page 138) which is very pertinent to the consideration of the present situation.

This is all no doubt well known to you, and I hope you will forgive me for troubling you with these observations.

Yours very truly,  
P. A. Molteno.

The King's Speech on February 21st concluded as follows:

My Lords and Gentlemen,

Recent experience has disclosed serious difficulties, due to recurring differences of strong opinion between the two branches of the Legislature.

Proposals will be laid before you, with all convenient speed to define the relations between the Houses of Parliament, so as to secure the undivided authority of the House of Commons over Finance and its predominance in Legislation. These Measures in the opinion of My advisers, should provide that this House should be so constituted and empowered as to exercise impartially in regard to proposed legislation, the functions of initiation, revision, and subject to proper safeguards of delay.

The suggestion that a reform of the House of Lords was contemplated caused much dissatisfaction among Liberals and Irish Nationalists, and on the 24th February the Irish Nationalists (81 in number) refrained from voting on a Tariff Reform amendment to the Address, which was consequently defeated by only 31 votes — 256 for, 287 against. On February 21st, the first day of the Session, Mr. Asquith said:

I see that in some quarters, not at all unfriendly quarters, I am supposed to have intended to convey, what I certainly never said, that the Liberal Ministry ought not to meet a new House of Commons unless it had secured in advance some kind of guarantee for the contingent exercise of the Royal prerogative. If I had given such a pledge as that, I should not be standing at this box at this moment. I tell the House quite frankly that I have received no such guarantees, and that I have asked for no such guarantees . . . To ask in advance for a blank authority for an indefinite exercise of the Royal prerogative in regard to a measure which has never been submitted to, or approved by the House of Commons, is a thing which in my judgment no constitutional statesman can properly make, and it is a concession which the Sovereign cannot be expected to grant.

On the same day Mr. Redmond, leader of the Irish Nationalists, admitted that there was force in this argument; but Mr. Asquith's supporters might well have been misled by his statement at the Albert Hall on December 10th, 1909:

We shall not assume office, and we shall not hold office unless we can secure the safeguards which experience shows us to be necessary for the legislative utility and honour of the party of progress.

A week later Mr. Asquith promised, what was actually done, that he would introduce Resolutions excluding the House of Lords altogether from the domain of finance and providing that their power of Veto 'shall be so limited in its exercise as to secure the predominance of the deliberate and considered will of this House within the lifetime of a single Parliament'. But, he added, by way of concession to reformers of the House of Lords, they looked forward in a subsequent year to the substitution of a democratic for a hereditary basis in the Second Chamber.

In the middle of the crisis Molteno wrote to one of his leading supporters (February 22nd):

'We are passing through a somewhat serious political crisis, and you will understand how necessary it is for me to be present in the House of Commons.' On the 28th he wrote to another Scottish correspondent:

We are in a strange position at Westminster. Everyone wants to avoid a new election, yet the situation seems an impossible one unless there is a return to the strong line which everyone expected.

To his Agent he wrote on March 1st:

The political situation has been extremely difficult. It would perhaps be undesirable at present to go into

the course I have been taking recently; but for your private information I may say that I was grievously disappointed with the action of the Government. Now, however, owing to the statement made yesterday (by Mr. Asquith) things have been put on a better footing; and we must endeavour to obliterate the memory of an unfortunate mistake, and try to rally all the progressive forces for the promised attack upon the Veto of the House of Lords.

From this time onwards things went better. In April the three Veto resolutions — the first on Money Bills, the second restricting the Veto and the third providing for quinquennial Parliaments — were carried by majorities of about one hundred. At the beginning of May Molteno had the satisfaction of reading in a speech delivered by Sir Edward Grey at Oxford a reference to the precedent to which he had referred in his letter to Asquith:

In 1832, when the advice to the Sovereign to use the prerogative was actually given by the then Prime Minister, Lord Grey, one of his opponents, Lord Carnarvon, said it was one of the most atrocious propositions with which a subject had ever attempted to insult the ears of his Sovereign.

Sir E. Grey then intimated that when the proper time came to tender similar advice to the Throne, the advice would be tendered. Two days later came the death of King Edward VII and the accession of King George V. This event naturally caused some further difficulties, and led to unsuccessful negotiations between the Parties with the idea of saving the new King from a constitutional crisis. Meanwhile at the end of April the House of Lords had swallowed the 1909 Budget. The revenue had come in well and no new Taxation was needed in the Budget of 1910. In June the conference between the Liberal and Unionist leaders took place; a series of secret meetings were held and the final conflict between the two Houses was postponed until the autumn,<sup>1</sup> At the end of July the House of Commons adjourned for its first real holiday for three years. The Prime Minister announced that the results of the conference would be made known when Parliament met again on November 15th.

We must now turn from the political crisis at home to the political crisis in South Africa, in which Percy Molteno was equally interested. Indeed, as a politician he may be said from the first to have played a dual part and to have lived a dual life; for while he was exerting his influence on the policy of the British Government as an independent Liberal he was constantly consulting with and being consulted by Merriman and his partisans — including of course his two brothers, Charlie and James — on the constitutional and political issues in South Africa.

Once the Act establishing the Union of South Africa had been carried through, the great question which arose was who should form the first administration, and it was of the utmost importance that the new Parliament

<sup>1</sup> Mr. Lloyd George unknown to his Party, tried to arrange a bargain with the Tories which would have surrendered Home Rule, Free Trade and Voluntary Service in return for the limitation of the Lord's Veto.

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and Government should begin on the right lines. There were only two real claimants, Merriman Prime Minister of the Cape Colony, and General Botha, Prime Minister of the Transvaal. Much as Moltene had liked Botha, and much as he had done to help him since the war, there was no doubt in his mind that Merriman's claims were superior. But at the end of December, during his campaign in Dumfriesshire, he received a letter from Merriman saying:

We are now looking forward to the new regime. I hear it is settled that Botha is to be Prime Minister, which of course means a Transvaal and not a Cape administration. On public grounds I think this is a misfortune, as our ways are better ways. On personal grounds, though of course it would be contrary to human nature not to feel hurt at the slight involved in passing me over, I console myself by looking forward to rest, and perhaps in thinking that I have avoided a very difficult task.

It is curious that out here, as well as at the Colonial Office, there is a great distaste shown for English people who adopted the liberal side during the late war. Why?

Then he added:

I am more concerned about James. He has made a splendid Speaker (in the Cape Assembly) and by all rights he ought to be the Speaker in the Union Parliament; but I have an uneasy feeling that they will appoint a Dutchman.

There were many stumbling-blocks ahead, finance and the native policy being the two chief ones.

Thereupon Percy wrote from Dumfries:

I congratulate you on getting your Session over so well and on the fact that you are likely to enter on the Union on an even keel in regard to finance; and I quite agree with you that the people have taken the severe taxation which has been necessary very well, and I think your action is very much appreciated on all hands.

This opens out the question of starting the new Union on right lines. Your personal experience and the experience of the Cape Colony extends over a so much larger area and is of so much greater length than anything which any of the other Colonies have had. You have been through the mill in Cape Colony more than once and realize the importance of economy.

I very much fear that if you are not at the head of affairs we shall find that the improving situation will only be used, as it was before, simply to encourage extravagance, with the inevitable result that it will be falling once more into depression.

I hope, therefore, that the matter will be viewed in this light, that the whole situation will be fully considered by you and the leading men and a policy fixed which can be presented to the Governor-General on his arrival.

As you know I have the greatest regard and friendship for Botha: he is a splendid man in every way. At the same time I think it would be better for him, better for South Africa, that he should not be Prime Minister

Boer War  
Consequences  
Very  
interesting  
James as  
Speaker

PTI des

Percy  
Botha

at present. He has not the necessary experience, he has not the official or administrative experience of the kind which is essential at the starting of a new system of a somewhat complicated character. Your experience is very great in these matters. You have the power of working with men — prominent officials — and getting the best out of them. You have a great capacity for hard work.

Botha is suffering from what comes to all men who have led a different mode of life when they are suddenly confronted with an enormous variety and number of difficult questions and the confinement of Office limits and without the time for contemplation to which they had been accustomed.

You know how much I deplore the fact that the Cape did not receive its proper proportion of representation and this makes it all the more incumbent on you and the others to minimize this by having the first Prime Minister.

As I said to you before this is no question of personal likes and dislikes: every step has got to be taken to ensure that you are made Prime Minister — whoever can help must be got to help. I know of many intrigues which have gone on with a view to getting you ousted, but they have got to be fought like any other difficulties.

I have heard it said, if I may venture to give a hint, that a closer consultation with supporters may have very good results. The risk with all Ministers is that, having plenty to do and think about, they are somewhat apt to lose touch with their supporters and nothing great can be accomplished unless Ministers are thoroughly backed up and for this there must be confidence between Ministers and supporters.

I see this need over here also where the same sort of thing occurs.

I hope you will forgive me for this suggestion: I am so anxious that right results should be achieved.

We are having a great fight over here; the Lords have delivered themselves into our hands, I do believe. I am having several meetings a day and I find the electors are realizing the immense issues at stake. We must once and for all clear the pass of an obstruction which has too long barred our way to progress and which has crippled the development and delayed the bringing of happiness to the people of this country.

The campaign of the Peers has helped us immensely. Milner's 'damn the consequences' has been worth thousands of votes to us. These autocratic pro-consuls are a grave danger to our free institutions. Landsdowne's chief supporters are Curzon, Milner and Ampthill!!

In old Rome the despotic government of subject peoples gradually ate into and destroyed their liberties. We are threatened with a like danger from these men.

On the same day Percy wrote to J. W. Sauer, who was then Commissioner of Works in Merriman's government:

I have been very much concerned by what I have been hearing and noting was going on on your side with regard to the Premiership. I may say at once that I am in entire agreement with you in what you say on this subject. I consider it essential in the interests of the success of the Union as well as for the interests of

*Percy backs  
Memorandum for  
KV Union  
PMSkip  
Dec 1909  
TL*

Cape Colony that Merriman should be Premier. Merriman is entitled to it by his standing, by his age, by his experience, by the position he occupies as Prime Minister of the oldest and largest colony coming into the Union, with the largest number of representatives, by every rule which applies to matters of this kind he is entitled to the Premiership.

When President Steyn was over here I was discussing the matter with him, and his view was entirely in agreement with mine, that this matter of the Premiership as well as the Cabinet should all be arranged without the intervention of the Governor-General or Ministers here in any way whatever. I think it will be a great mistake from the point of view of the Home Government and of the Governor-General that he should be called upon to make such an invidious choice; but I consider it would be a greater mistake from the point of view of South Africa to allow such a matter to be settled by the choice of a Governor-General, calling this or that man to such an office.

The appointment is to be justified in South Africa and to the South African Parliament. Only South African statesmen can do this; they must therefore take the responsibility. Now I know there have been numerous intrigues with a view to ousting Merriman. There are reasons for this. Among others he is incorruptible; he has a high standard of moral and public duty. The magnates naturally cannot get the same control over him that they could get over one nearer to them, whom they could put under obligations in various ways without anything improper being suggested at all. Merriman has great administrative experience, very valuable in starting a new administration. His financial principles give economy and order their proper place in the administration of public finances.

Holmeyr's death has been a very great loss and makes the task more difficult. Gladstone has asked me to have a long talk with him as soon as the Election is over. I think he will not go out until about April.

He begged Sauer to leave no stone unturned to secure the Premiership for Merriman.

At the end of January Merriman wrote a confidential letter to Moltano asking him

to undertake a delicate mission — namely to see Lord Crewe, or whoever has the business in hand, to expedite the wheels of the chariot of Herbert Gladstone. If I am passed by [he went on] I shall not feel crushed; *but I will on no account take a subordinate position*, as I have no wish to undergo the misery I suffered in Schreiner's government, seeing things go wrong and being powerless to avert the result. I know that in native affairs and in finance my views are not those of the Transvaal. As Chief I am able to impose them upon an unwilling party; as a subordinate I should have to submit to things which I could not approve, as well as to lead an uncomfortable life of drudgery, the only compensation for which was power — to do good as one fondly thinks! Now I have given you my fullest confidence and will say no more. Che sara sara.

Why  
Merriman  
not SA PM

The letter enclosed began:

At a recent conference between General Botha, Mr. Fisher and myself I was authorized to tell you that we are entirely of opinion that it would be desirable in the interests of South Africa and with a view to the smoother working of the Union Government, that the Governor-General should arrive in South Africa as soon as convenient.

They suggested that his departure should be accelerated so that he might arrive not later than the beginning of April, as the new government, would become the Executive for the whole of South Africa on May 31st, and Lord Gladstone ought to have time to acquaint himself with the broad political conditions 'before inviting the person whom he may think best fitted to form a government'.

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Moltano saw Lord Crewe and laid the letter before him. He reported to Merriman that there were great difficulties about Gladstone going out earlier, 'as he would have no official position, and you could not have the High Commissioner and him there at the same time'.

Merriman, meantime, who had no taste for intrigue, took to the platform and exposed the backstairs work of Jameson with such success that Botha had to abandon the half-formed plot of a coalition government composed of Boers and Progressives who, apart from sharing the spoils of office, and a readiness to spend public money freely, had no ideas in common.

Lord Gladstone did not arrive in Capetown until May 17th, and after a few days delay he sent for Botha, who formed a Cabinet of which the principal members were J. C. Smuts (Defence), Hull (Finance), J. W. Sauer (Railways), Sir David Graaff (Public Works) and General Hertzog (Justice). Merriman stood out for reasons which he explained briefly in a letter dated, Treasury, Cape Town, May 31st, 1910 — the very day on which Gladstone had sent for Botha. He had no doubt that Botha was selected in London and that Jameson was a prime mover, with the mining interests behind him. 'They got hold of the Press and of Reuter just as they did in the War, and the Progressives worked with a will to cut their own throats.' He felt rather hotly about Botha's 'tortuous intrigue with Jameson' and about the Cabal which had been got up among his own colleagues in the Cape Ministry. What he feared most now were the machinations of the money power and the influx of Transvaal extravagance into South African finance. 'Having all these things in mind I did not see my way to fetter my action by taking office and muzzling myself.' He was still anxious about James Moltano and the Speakership. 'The enemy are not fond of him but I should regard it as a calamity if he were not chosen.' A longer, confidential letter followed on June 22nd, in reply to a kind note of sympathy from Percy.

My pain [wrote Merriman] has been much allayed by the numerous letters I have received from every part of South Africa, and those which appear in the Press testifying an appreciation of my personal services and regretting the outcome.

I am not, I hope, vain enough to believe that I merit all they say; but at the same time I do not think I am wrong in believing that a grave mistake has been made in not starting the Union on Cape, rather than Transvaal, lines. Already there are evidences of this in the stupendous salaries allotted to Ministers and sundry jobs in the way of appointments. You and I know the vital importance of firmly establishing the supremacy of Parliament, especially in matters of finance. North of the Orange River they have very different notions. As their auditor remarked: 'We put expediency first and law second,' a pretty doctrine from such a source.

I felt also that I had done much in building up a South African Party composed of English and Dutch whose interests were identical and whose love for South Africa was quite irrespective of race. This was, I am convinced, the only true policy, and with me at the head there could be no question of its being anti-English.

The proposal for a Coalition (which had been abandoned) was quite different; for it would have been an amalgamation of two hopelessly different ideas, those of Jameson and his friends, (who appealed to British prejudice against the Dutch) and those of the Boer leaders. As it was, the new South African National Party, as Botha styled it, had formed what was 'for all practical purposes a Dutch Government,' which would

have the effect of strengthening the British prejudice and of alienating that section of the non-Dutch population whom I and my friends have — at the cost of infinite trouble and, may I add, by fair, impartial and sound administration, induced to co-operate with their fellow-colonists.

As a result of Gladstone's action 'the Transvaal gets the hegemony of South Africa, vice the Cape, deposed'. Behind Gladstone was the Liberal Imperialist dislike 'of those Englishmen who, like ourselves, took the South African line in the Boer War'.

In a speech of self-justification Botha had said: 1, that he was opposed by conviction to Coalition; 2, that he was talked over by Jameson and was ready to join him; 3, that when he found the bulk of his party against it he dropped it — 'though professing to me all the time that he was as strongly as ever opposed'. Percy would recognize that he could never subscribe to such utter weakness and duplicity, when he knew that all these conversations and intrigues had been conducted behind his back. But

you need have no fear that personal pique will lead me to give up public life. I have hope I have too strong a sense of public duty for that, though the future will be in many respects distasteful.

Merriman was as good as his word. He gave independent support to Botha's government. His financial criticisms were searching, weighty and often effective. Hull the finance Minister proved a failure and before long had to resign.

The elections gave Botha a majority of 66 to 55.

Botha was not a good administrator and it would have been far better for South Africa if the Union Government

had been inaugurated by a Merriman Cabinet. Nevertheless Botha served the Empire well when the Great War brought his loyalty to the test, and he remained Premier until 1919, the year of his death, when he was succeeded by General Smuts. The Governor-Generalship of Lord Gladstone lasted until 1914, when he was succeeded by Sydney (Lord) Buxton.

~~Botha had to reform his Cabinet in 1912, when Hull fell out with Sauer and resigned, and Hertzog broke away.~~

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During the distractions of the constitutional crisis at home Molteno and the Scottish Liberals were having trouble with the Board of Agriculture. Its President, Lord Carrington, unwittingly perhaps, had made some bad appointments in Scotland, and had conferred an important post on Dr. Gillespie, who had opposed the Smallholdings policy and had quite recently held up the Scottish Liberal M.P.s to scorn and ridicule in the Chamber of Agriculture. In a letter of protest to Carrington, March 18th, 1910, Molteno wrote:

The creation of a Department of Agriculture for Scotland would certainly go a long way to put this matter on a footing satisfactory to our local people, as well as being a great advantage to Scottish agriculture.

Later in the year Carrington asked him to go on a departmental committee, but Molteno was unable to accept the invitation as great demands were being made on his time in connection with important negotiations between the Union-Castle Company and the Government of South Africa, 'which may possibly necessitate my visiting the Union in the autumn recess — if we have one'.

On March 14th Molteno gave his friend Macmillan of Kirkconnel a peep behind the scenes of the constitutional drama. After premising that his views and MacMillan's were identical he went on:

I have left no opportunity unused to impress them upon the Government. It was not only the action of John Redmond and Sir Henry Dalziel but the representations of practically the whole Party that brought the Government back to the right road. How they strayed from it we do not exactly know; but in all that we have done we have had to be careful not to destroy their authority or give their opponents a handle against us. They are taking the right course now and will I hope be firm and successful.

To another steadfast supporter, Provost Halliday, he wrote:

The hesitation at the beginning was very unfortunate. I need hardly tell you that I used every endeavour to get the Government to abandon the reform idea, which had not been before the country at the election, and to go solely on the Veto.

At this time groups of women were pressing excitedly for the franchise, but Percy did not favour it. 'I cannot vote for the Bill', he wrote to a suffragette in his own constituency, 'until the electorate have had an opportunity of pronouncing on so great a change.' Once he had

Percy against franchise

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made up his mind on a public question he was not easily moved. Sometimes he was successful, as in his opposition to the reform of the House of Lords. Sometimes he fought a losing cause, as in his opposition to women's suffrage or to conscription during the Great War, or to protective tariffs in the last years of his life. More and more he felt the loss of Campbell-Bannerman. 'Those who are living on his legacies have none of his courage or good sense.' He was uneasy about Sir Edward Grey's foreign policy, which was converting the Entente with France and now also with Russia into something approaching hostility towards Germany, and threatened to divide the Great Powers of Europe into two unfriendly groups and to attach Great Britain to one of them. Loreburn, John Burns, and others in the Cabinet were as keenly alive to this danger as Molteno himself, and so was Sir John Brunner, the President of the National Liberal Federation. To counterwork the Liberal Imperialists Allan Baker, Molteno, Gordon Harvey, and other independent Liberal Members of Parliament, began to support a Council of the Churches for fostering Anglo-German friendship, and other organizations such as Lord Avebury's Albert Committee.

On September 10th Percy with his wife and children sailed by the Kinfauns Castle for Capetown. It was always a delight to him to revisit his old home, his brothers and sisters and hosts of relatives and friends. This time he had very important business in connection with the new mail contract. To his bitter disappointment, as we shall see in our next chapter, Botha's government took up a position which could not be reconciled with fair play for the Union-Castle Line. It will be convenient, however, to defer this disagreeable incident to our next chapter.

Percy's plan was, after a brief stay in Capetown, to take a party of eight to the Victoria Falls. He expected to be in the Transvaal to discuss the mail contract with Hull, Botha's Finance Minister, and afterwards, before leaving for England, to see the opening of the first Union Parliament. The programme, it would seem, was carried out. From the standpoint of pleasure, though not of business, the tour was a success and Percy returned with his family in good health to plunge into the turmoil of another election.

On his return he found that Asquith's Government had been compelled to appeal for a second time to the country on the great Constitutional issue between Lords and Commons. The Conference between Ministers and the leaders of the Opposition met for the last time on November 10th, and it was announced that they had been unable to reach a settlement. The Parliament Bill, excluding the House of Lords from finance and limiting their veto on legislation, then went to the House of Lords and the Commons adjourned until November 17th.

In 1894, when the Liberal Party in the House of Commons, to quote Mr. Asquith's words, was 'ploughing the sands', Lord Rosebery, as Prime Minister, put the issue in one terse sentence: 'Will you be governed by the House of Lords, or will you be governed by yourselves?' But now, having detached himself from his old Party,

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Women &gt;

Rosebery tried to draw a red herring across the path of the Parliament Bill by moving resolutions for reforming the constitution of the House of Lords. This was followed on November 23rd by Lord Lansdowne, the leader of the Unionist Party in the House of Lords, who moved resolutions for settling the differences between the two Houses which were quite unacceptable to the Liberal Party and its Irish Allies. Having carried his alternative in the House of Lords Lansdowne had the debate on the Parliament Bill adjourned, and Parliament was dissolved on November 28th. Thereupon all Members and candidates rushed to the constituencies to prepare for an immediate General Election.

Had I space to describe the tangled and exciting politics of this *annus mirabilis* I might have illustrated the Liberal standpoint and the strength of the position which Percy laid before the electors of Dumfriesshire in December from some of the more important speeches delivered by leading men in the great and final controversy between Lords and Commons. I would have quoted for example Loreburn's speech in reply to Lansdowne on April 28th, Grenfell's speech during a Budget debate in the House of Commons (in reply to Lords Rothschild and Revelstoke) on the strength of British credit under free trade, Haldane's defence of voluntary service against the conscriptionists in the debate on the Army Estimates of June 27th, and some of Asquith's lucid expositions of the constitutional issue. The violence of the language used by some of the Unionist speakers, especially against Mr. Lloyd George and Mr. Winston Churchill seems amazing when we remember how readily they took office together a few years later. Sir Edward Carson, for example, after some sentences which will not bear repetition, said at Liverpool on November 25th that he had seen Mr. Lloyd George in a Privy Council uniform and he nearly mistook him for a gentleman. Lord Ronaldshay compared the Chancellor of the Exchequer to the Mad Mullah, and F. E. Smith defined 'Lloyd Georgism' as the preaching of class hatred for party purposes. The Duke of Rutland, whose ancestor had written:

Let law and learning, arts and science die.  
But give us still our old nobility.

declared at Nottingham on November 17th that 'the country despised and dreaded the contemptible, penny-dreadful, Limehouse, ratcatching language of the Chancellor of the Exchequer', and in the following week Lord Deerhurst called Mr. Asquith 'a parrot on Mr. Redmond's thumb'.

Amid all this clamour Percy Molteno preserved his composure as usual, but he did not mince words. In a brief address to the electorate, issued on December 2nd, 1910, he recalled what had happened since January. The Lords had refused the Bill to regulate their veto. Representative government was at stake, the great issue must be settled, so that the will of the people as expressed by the House of Commons should, within the lifetime of a single Parliament, be effectively supreme. He remained

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a cordial supporter of Home Rule for Ireland. He held that the Scottish reforms rejected by the Lords were urgent, and especially the Small Landholders' Bill, which had twice been passed by enormous majorities in the Commons. He promised as before that if returned he would give 'a general but independent support to the Liberal Administration'.

On Friday, December 15th (or 16th?) at a quarter-past twelve the result of the polling was announced:

P. A. Moltano . . .	4,708
William Murray . . .	4,146

The majority of 562 was only thirteen less than at the general election of January. Great enthusiasm followed the declaration of the poll. Mrs. Moltano was with the re-elected Member when he addressed the crowd from the balcony of the Commercial Hotel, and thanked the electors who had placed him at the head of the poll for the third time in succession. Gulland had been re-elected to the Burghs and Major M'Micking had regained his seat. The cause of the people, as Percy said, had triumphed once more.

On December 19th, when the returns were completed, the result was found to be almost identical with that of the January election. The Government majority had risen from 122 to 126, as the Home Rulers won two seats in Ireland. In Scotland there was a big majority against the Lords—61 Liberal and Labour members to 11 Unionists. In a letter thanking Merriman for his congratulations Percy wrote: 'We had a strenuous fight again — forty public speeches for nearly three weeks on end! However the result was very satisfactory and must settle the constitutional issue.'

## CHAPTER XXV

IN PARLIAMENT AND OUT OF BUSINESS  
THE AGADIR CRISIS OF 1911

IN 1911, after the two general elections, the Liberal Party at last gathered in the prize for which it had been contending so long by passing the Parliament Act, which not only put an end to the new claims of the House of Lords to reject finance bills, but also limited the constitutional right which they had again and again asserted against Liberal Governments, but hardly ever against Tory Governments, of amending or rejecting legislative measures sent up from the House of Commons. But though the second general election of 1910 was decisive, the Unionist Opposition in the House of Commons did not accept the Parliament Bill without a struggle and there was a disorderly scene on July 24th when a band of Die-hards nicknamed 'Hughligans', after their ring-leader Lord Hugh Cecil, shouted down the Prime Minister. To carry the Bill through the House of Lords it was necessary for the Cabinet to obtain from the Crown the power to create as many peers as might be necessary to overcome the resistance of the Die-hards, or 'Back-

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woodsmen', as they were called by Mr. Lloyd George, because hundreds of them had hardly ever before left their estates to take part in the uncongenial function of legislation. They were still ready to fight for the constitutional rights which they had never exercised, under the leadership of 'Damn-the-Consequences' Milner and other reckless reactionaries. When, however, it became known that the King had accepted Asquith's advice, the Marquis of Lansdowne, then leader of the Unionist Party in the House of Lords, advised submission. But even his authority only secured a majority of 17 (131 to 114) on August 10th, after Viscount Morley had stated:

If the Bill should be defeated to-night, His Majesty will assent to the creation of Peers sufficient in number to guard against any possible combination by which the Parliament Bill might again be exposed a second time to defeat.

A long list of names had been prepared for the purpose, and those who saw it were confident that the new peers would not have reduced the intellectual level of the Second Chamber.

On August 18th the Bill received the Royal Assent, and in the autumn the Prime Minister, speaking to his constituents at Ladybank, was able to say: 'The House of Lords as we have known it, and as our fathers have known it, is as dead as Queen Anne herself,' though it would retain functions neither few nor unimportant which it was proper for a Second Chamber in a democratic country to possess.

I think, therefore, I am justified in saying that the Session of 1911 will live in history as representing the greatest advance in the march of popular government since the Reform Act of 1832.

It was described by Balfour in the same month of October as 'this great constitutional tragedy'; but he never proposed to repeal the Act and the reform of the House of Lords has never been undertaken by later Conservative administrations.

Molteno, as we shall see, was not idle in Parliament during 1911, though he had no occasion to speak in the debates on the Parliament Bill, which was framed and carried through by the Government entirely to his satisfaction. At the commencement of the year, however, he was mainly taken up with South Africa. It had been, as we have seen, a severe disappointment to him that the first Federal Coalition Cabinet of the Union was formed by Botha and not by Merriman, who in Molteno's opinion was far better qualified by knowledge and experience, by statesmanship and financial ability, to start the Union Parliament and Government on its course. He was full of sympathy for Merriman, now in opposition, but tried to console his friend with the hope that the financial extravagance on which the Botha Government was embarking would soon lead to a reaction and that the country 'will back you up eventually'. It was some consolation to Percy that his brother James had been appointed Speaker, but he had been deeply hurt on finding before he left South Africa that Hull, the Minister of

*Percy Farney*  
*re Union-Cast*  
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*the Gov.*  
*II*  
*Out of*  
*NW*  
*1910*

~~Finance, and his colleague Graaff, were unwilling to make reasonable terms with the Union-Castle Line, in spite of Botha's assurances and of the great services which Percy had rendered him and the other Boer leaders in the critical times following the South African War.~~

The position is well explained in Percy's correspondence with Merriman and others, as well as in letters to Sir David Graaff. Thus in reply to Merriman on February 3rd, 1911, Percy wrote:

Hull and Graaff showed me very plainly in Cape Town that they wanted no agreement with us, and they have since shown that they are determined to do what they can to attack us.

He put the position to Merriman as follows:

*Issue*

The idea of a man like Hull — without any experience whatever on shipping matters — rushing in to deal with a great industry of this kind is almost ludicrous, and as you truly say he and Graaff will make a sorry mess of it all. My only fear is that they will damage innocent interests enormously if they succeed in carrying your Parliament with them in their attempt to upset the basis on which alone regular sailings can be supplied. The idea of going back at this time of day to rely on tramp tonnage instead of on liners is to attempt to turn back the stream of evolution, and arises from the ignorant idea that it is possible to get something for nothing, or to get a proper service without paying for it. Freight — like any other commodity which is bought and sold — is measured according to its value. If the service is rapid, certain and frequent, it must cost more than an occasional, irregular, slow and unreliable service.

South Africa has a service without rival in regard to regularity, certainty, and even speed, looking to the conditions; but these men are too ignorant to understand this. Surely men like Maydon and even Jameson — after their experience — would hesitate to go in the face of the Royal Commission Report, which is so full, so ample and so authoritative that it is now regarded not only in England but in Europe as the first authority on this whole question.

On the same day (February 3rd) he wrote to Sir David Graaff:

I enjoyed my visit to South Africa very much, and only regretted that it was so short, but I much appreciated all the attention and kindness which I received from yourself and others. I was only disappointed in one matter, and that was that after I had taken the time and trouble to come out to discuss matters with your Government the discussion was put off to the last, and there appeared to be no real desire to come to any agreement.

I had come prepared to discuss the whole matter fully with a view to a comprehensive settlement and to put the relations of the shipping and the various interests concerned — Government, merchants and shippers — on a friendly and reasonable basis; but the absence of a disposition to consider the essential factors of the situation on the part of your Colleague, and the relegation of the whole matter to two meetings at the

last moment before my departure, made success impossible to be expected. The course of events since has quite confirmed my impression that no settlement was desired, as Mr. Hull did not even wait for an answer to his letter to us before he announced that he proposed to legislate against us on lines condemned by the Royal Commission.

It is a great responsibility for any man to take to interfere with a great industry of which he has no practical acquaintance whatever, and against the findings of a Royal Commission which went into the whole question most fully with an enormous number of witnesses, and gave a report which is now the standard and unquestioned authority on these matters.

However, we shall see, and whatever comes, if we are opposed on these matters, I hope our personal relations will always remain on a friendly footing as in the past.

Under the circumstances Molteno and his fellow-directors decided that their best course would be to appeal to the good sense of the Legislature, and the Company set out its case in a letter addressed to all the members of the Cape Parliament. Their best hope was in Merriman, the leading authority on all questions of public finance in South Africa, who sat in the Union Parliament as an independent critic, commanding the respect due to courage, honesty, long experience and wide knowledge, as well as the fear or admiration of all who appreciated pungent wit and power in debate. To this trusty friend Molteno sent the reports of the Royal Commissions on Shipping Rings and Conferences, with all the evidence and other papers bearing on the subject, 'so that you may be fully posted'. In a further letter to Merriman on March 3rd, Percy wrote:

The hospitality of Hull and Botha towards us is very remarkable, and I can only explain it by supposing that Botha is entirely in the hands of Hull. He assured me personally that he would not agree to any hostile action being taken against us; yet he allows Hull to make these attacks upon us. . . . I can quite understand what a difficult position you are placed in; and as you say Burton and Sauer must have a very unfortunate time of it, being overruled by a man like Hull and by Jameson. One does not know what to think of Botha joining hands with Jameson to injure me after all that I have done for him. . . . Every day since Hofmeyr's death has made it clearer what a serious loss Cape Colony and South Africa sustained by the removal of his sound sense and well-tryed judgment.

It is no wonder he felt sore that Botha's Government 'instead of supporting and assisting a Line, which has served them so well and given them such an excellent connection with this country' should be endeavouring to injure it.

Of course, if your Parliament is prepared to go in for extreme Socialism, and for putting all the means of production, distribution, and exchange in the hands of the State, I could understand their having their own service; but whether they could manage it better than we do, or at a less cost to the country, is more than doubtful.

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Percy Hull

A letter from Percy to Sir David Graaff on March 8th shows that what Hull and Graaff wanted to do was to control and fix the freight rates of the Union Castle Line without guaranteeing profits or insuring it against loss. The Royal Commission on Shipping Conferences had made it clear that the power of fixing rates of freight by compulsion 'could only be justified if the State were prepared to grant shipping companies statutory monopolies, or guarantee their profits'.

Further correspondence shows that Merriman had been doing his best in the Cape Parliament to prevent 'the obnoxious clauses' of the Government's Post Office bill from being passed, but without success. 'It would not be a workable measure', wrote Percy, 'and would greatly disturb the mail and cargo business.' It looked as if Botha were 'ready to sacrifice old friends to get the support of the mining magnates' and of Dr. Jameson. Merriman asked him who was to settle the freight rates, to which Percy replied:

*Percy anti-socialist*  
It is exactly the same order of problem as the query who is to settle the price of tea, coffee, sugar, wool, etc. When the Socialist millennium comes, and the State, in accordance with socialist formula, has all the means of production, distribution and exchange in its own hands, it will settle wages, prices, etc. And in my opinion universal poverty, not universal well-being, will be the result, as the most precious of all man's possessions will be denied to him, viz. his own individual liberty and his individual initiative.

In the present case the Cape Government could not expect shareholders of the Castle Line to hand their property over; and if they did, the Line could not be half as well managed; 'for your Government has no shipping knowledge and cannot compare in skill and experience with those who have spent their lives in learning how to manage ships.' Nor could the Cape Government legislate for commerce and shipping at sea except within its own three-mile limit. Then he went on (April 18th):

In your P.O. bill you are trying to do what has never been attempted before even in the worst days of the mercantile system and the Navigation Laws. For you are attempting to say in what ships the commerce of Great Britain destined for South Africa is to be carried. The most that the Navigation Laws attempted was to settle for each country in what ships its own commerce should be carried. They never attempted to settle in what ships commerce should come to a country's port, but only in what ships it should go from its ports if they were carrying its own goods.

He would understand complaints if the Union Castle Company were giving a slow, inefficient service, or if it were paying great dividends.

As a matter of fact you have quite the best service in the Southern Hemisphere; and as to dividends we pay 5 per cent., with a bonus sometimes, if we run free from accident, of one and a quarter per cent. The P. & O. have for many years paid 14 per cent, regularly. The White Star paid 20 per cent. last year.

It looked as if the attack on the Company and the gross misrepresentation of the Press was due partly to jealousy and spite. No doubt the Progressives

wanted to pay Sir Donald Currie out because he always refused to be a party to the Raid or to the war policy, and now to pay me out for my attitude during the War as well; and they were doing this with the aid of Botha, Fischer, Hertzog, and Sauer!!! I could not have believed it possible that these men would have consented to such a course.

When the Union Government passed the Post Office Bill, and it was only awaiting the Royal Assent, Molteno made a last effort to avert the mischief by appealing to the British Government to invalidate the shipping policy of Botha's Cabinet by introducing a deputation of British shipowners to Sidney Buxton, the President of the Board of Trade. They asked the British Government to protect the lines affected from unfair treatment by the South African Government and also as far as possible from the unfair competition of lines subsidized by Germany, France and Portugal. Molteno recited the recent course of events from the first attempt in 1905 by Colonial Governments to interfere with shipping. It had led to the appointment of the Royal Commission on Shipping Conferences and Rebates, on which South Africa was represented. The Commission reported in 1909 in favour of the method of giving rebates, and against legislation to make them illegal. It also pointed out the injury that would be inflicted on British shipping if rebates were not permitted here but allowed on the Continent. As to mail contracts, the Commission recommended that there should be no departure from the British practice of keeping mails and freights separate. In face of this report they had legislation against rebates in the South African Post Office Bill in a form which would preclude steamers having rebates from tendering for mail contracts. It also gave the Union Government power to penalize goods carried in ships coming from England by harbour dues and on the Union railways. This legislation ran counter not only to the report of the Royal Commission on shipping in regard to conferences, rebates and mail contracts, but also to the despatches of Lord Elgin and Lord Crewe, which had laid down that colonies should only legislate for their own ships or for ships engaged in their coasting trade, British shipping being subject to imperial legislation. Seeing that the Union Bill 'interferes with out freedom of contract', they claimed the protection of His Majesty's Government 'to carry on our business as seems best to us'. If the power of interference by the Union Government were once conceded, it would admit of indefinite extension, and if applied to foreign ships it might lead to reprisals by foreign Governments from which British shipowners would suffer. Having thus placed the subject before Buxton he called upon two or three other shipowners, who supported him. But this spirited effort came too late to bring the Union Government to its senses, and South Africa proved to be a heavy loser by the policy which Botha's Government had adopted.

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(TL) It was now clear that nothing more could be done. Accordingly, in the autumn of 1911 the directors of the Union-Castle Line — the splendid enterprise of Sir Donald Currie, which had done so much for South African trade — utterly disgusted by the treatment they had received from Botha's Ministry, decided to accept an offer of purchase from Sir Owen Philipps (afterwards Lord Kylsant) on behalf of the Royal Mail and Elder Dempster. The sale was as fortunate in a pecuniary sense for the proprietors of the Union-Castle Line as it eventually proved to be unfortunate for Sir Owen Philipps and his shareholders. After accepting the offer, Percy started with his family and a party of relatives and friends for Switzerland, having made satisfactory arrangements for the transfer of shares and the completion of this transaction, one of the greatest in the history of British shipping.

At the beginning of June the Scottish Small Landholders Bill, which had once more come up for discussion, began to occupy Percy's time in Parliament. He helped to pilot it through the Commons, and at last it was passed by the Lords, received the Royal assent and came into operation in the spring of 1912. It is doubtful whether the bill would ever have got through but for Percy Molteno. In a letter to Sir Matthew Wallace of November 10th, 1911 he described the pressure in the House. The Insurance Bill had 'nearly killed the Treasury, and thirteen clauses had been passed without a word of discussion'. The Government, he added, wished to defer discussion of the Scottish Small Landholders Bill until the 24th:

This is most serious, as it would then not get the benefit of the Parliament Bill, because the Bill must go to the Lords at least a month before the end of the Session.

We passed a unanimous resolution therefore, on my motion, at the Scotch Committee last night that the Bill must come on for third reading and be passed at least a month before the end of the Session. The earliest day would be the 17th, and if necessary the Session must be prolonged to enable this to happen.

On December 18th he was able to report that the Small Landowners (Scotland) Bill 'was finally rushed through the House of Commons in a great hurry, the House of Lords amendments being only in manuscript'. Even with the amendments made by the Lords, so he wrote to his friend MacMillan,

it will be of enormous value. We can now set up a really efficient Board of Agriculture, and do what nearly every other country in Europe is doing in giving effective assistance to farmers without running the risk of simply increasing the rents of the landlords.

The Small Landholders (Scotland) Act, 1911 (1 and 2 George V. C. 49) which might well be known as the Molteno Act, is described as an Act to encourage the formation of small agricultural holdings in Scotland, to amend the law relating to the tenure of such holdings and to establish a Board of Agriculture for Scotland.

It also established a Scottish Land Court to consist of not more than five persons of whom one must speak Gaelic.

The Land Court was empowered to negotiate with landlords to obtain land and arrange schemes for new holdings and fix fair rents. The holdings were restricted to a rental of £50 a year or an extent of 50 acres. The Act came into operation in April, 1912.

It is clear from Percy Molteno's correspondence in this year and all through his long struggle for the Small Holders Bill that he felt very keenly about rural depopulation and was convinced that 'our present laws are denuding Scotland of its people, and some of the very best'.

Apart from his work on the Small Holders Bill Percy took part in a number of other debates during the year 1911. In March, on Supply, he urged that the large military force in South Africa should be reduced on the score of economy. The colony was quiet and peaceful and did not require imperial troops; and it was bad policy he said, to spread our army all over the world. Early in July he supported the Naval Prize Bill and the Declaration of London from the standpoint of a British ship-owner. It was an advance in international law, and we ought to be thankful for a strengthening of neutral rights seeing that we carry half the trade of the world. The Prize Bill was thrown out by the House of Lords; and the Declaration of London broke down in the Great War, which played havoc with international law. Molteno also spoke on the National Insurance Bill in October in opposition to the Government's proposal to guillotine important clauses and force them through without adequate discussion. He therefore voted against the Government, but its proposal was carried by a fairly large majority.

An event of vast and tragic importance, as it turned out, was the Agadir crisis at the beginning of July when the Foreign Secretary, Sir Edward Grey, without consulting the Cabinet or the House of Commons, for the second time since he had taken office, went very near threatening war against Germany in a dispute between the German and French Governments over Morocco. The speech in which Grey described the crisis to the House of Commons was made on November 27th, long after the danger was over.

After a Cabinet meeting on July 4th it was supposed that the negotiations had taken a pacific turn; but on July 21st, to the amazement and indignation of Molteno and all peace-loving Liberals, Mr. Lloyd George, the Chancellor of the Exchequer, made an inflammatory speech at the Mansion House. This resulted in an immediate Cabinet crisis. The majority of the Cabinet, led by Morley and Loreburn, then insisted that there should be no more secrecy, and on November 27th Sir Edward Grey, while defending the line he had taken, assented to the opinion of his colleagues that 'the British Government should not make secret engagements which commit Parliament to obligations of war', and assured the House that for ourselves we have not made a single secret

Agadir Crisis  
1911

article of any kind since we came into office'. Bonar Law, who had just succeeded Balfour as leader of the Opposition, said he could imagine few if any calamities so great as war with Germany, and denounced the folly and wickedness of the idea that such a war was inevitable. Mr. Asquith repeated — to quote the *Liberal Magazine* of December, 1911 — 'in the most emphatic and unambiguous terms that the country was bound by no secret agreements', and assured the House that the purposes and aims of their foreign policy should not be kept in darkness from the representatives of the people.

We have no sort of quarrel of any kind with any of the Great Powers of the world. The first of all British interests to-day remains, as it has always been, the peace of the world, and to the attainment of that great object our diplomacy and our policy will still in single-mindedness be directed.

In the House of Lords both Morley and Lansdowne looked forward hopefully to friendship with Germany: and made it clear that they did not wish the Entente with France to be interpreted in the way in which in fact it had been and was being interpreted by Sir Edward Grey. During the Agadir Crisis Mr. Haldane, then Secretary for War, (who had initiated the secret military and naval conversations) was preparing to send an expeditionary force across the channel. Mr. McKenna and the Board of Admiralty raised objections, and before the end of the year Mr. McKenna was replaced by Mr. Winston Churchill, who was eager to co-operate with Haldane.

Percy Molteno was profoundly disturbed by Mr. Lloyd George's change of front and by the admissions of Sir Edward Grey in his recital to the House of Commons. He felt that the rapid growth of naval armaments could not be harmonized with these professions of a pacific diplomacy. On December 11th, 1911, he wrote to N. MacMillan:

I am very glad to see what you say about the German matter. Your ideas are entirely mine on this subject. It was very wrong (of Mr. Lloyd George) to make an appeal to the public at an after-dinner speech, and to make a threat of war in that manner to a proud nation like Germany. It has served to embitter our relations with Germany more than anything that has been done in the past, and it is quite probable that I may take some part — if opportunity offers — in the Debate on Foreign Affairs, and may say something of this kind. If any warnings have to be given they should be given by the Prime Minister from his place in Parliament. The way we have been treated is really very wrong. We have left the Government a free hand, and this sort of thing is done. I shall do anything I can to improve our relations with Germany. It is disastrous that this should have occurred now, when the Navy Law comes up for consideration, and when the Elections are about to take place for the Reichstag.

On December 18th he wrote again to MacMillan:

I feel with you a great loss of confidence in the Chancellor of the Exchequer after the speech he made which so embittered our relations with Germany; and

I also think that he has not treated Parliament properly in regard to the Insurance Bill. I do not believe in despotism, even if you have a benevolent despotism. Parliament is the greatest instrument for Liberalism, and we ought to do nothing to impair its influence or its authority; but this is what he is doing.

He also thought it 'unbecoming' of Mr. Lloyd George to take up a strong line against the Prime Minister in regard to Women's suffrage.

To Mr. Lloyd George's Mansion House speech might be added that of Mr. Churchill who soon afterwards spoke of Germany's Navy as 'a luxury', and so gave further aid and stimulus to the Kaiser's naval ambitions. Yet Morley and Loreburn had received assurances which seemed to preclude a warlike entanglement with France and Russia. Indeed it was formally repudiated by Asquith and Grey from this time onwards until the summer of 1914.

Some time afterwards Molteno added to his Record the following papers, entitled:

NOTES ON DEBATE IN THE HOUSE OF LORDS

ON

*Morocco, November 22nd, 1911*

Powerful speech by Lord Courtney.

*Morley quotes Lansdowne* on the Anglo-French Agreement of 1900 as follows:

These Agreements deal with questions of the most complicated description, and I hope the Agreements come to in this case may be usefully followed in our dealings with other Powers.

and he quotes *Sir Edward Grey* as saying:

This Entente with France will be a working model in other cases.

He quotes *Chamberlain* as saying:

The natural Alliance is between ourselves and the great German Empire.

*Morley says:*

What is the pith of the Entente. It was an Agreement that England putting it shortly and plainly should have a free hand in Egypt, and France was to have a free hand in Morocco.

He gives a very full description (Page 384) of Germany's contribution to the history of modern civilization and says:

This at least is certain that those are not wrong who hold that Germany's high and strict standard of competency, the purity and vigour of her administration of affairs, her splendid efforts and great success in all branches of science, her glories—for glories they are—in art and literature, and the strength of character and duty in the German people entitle her national ideals to a supreme place among the greatest ideals that now animate and guide the world.

*Lord Lansdowne:*

The Agreement of 1904 with France was not a conspiracy on the part of the two Powers against any other Power or Powers in Europe.

The Government of the day desired that this Agreement with France should be the precursor of other Agreements with other Powers (*page 389*).

As to *Mr. Lloyd George's* speech he says:

It would be more convenient if important pronouncements of that kind governing the Foreign Policy of this country, should be made by the Secretary of State in his place in Parliament.

He also said:

There is a conviction that the greatest interest of both Powers is the preservation of international Peace (*page 393*).

*Lord Newton* made some good remarks on Mr. Lloyd George's speech. After suggesting that the Foreign Secretary or the Prime Minister should have given a warning, he goes on:

What I maintain is that an action of this kind (a speech made by a politician of the aggressive type of Mr. Lloyd George) was bound to produce a disastrous effect so far as the relations of the two countries were concerned, and if His Majesty's Government regret that ill-feeling has been aroused between this country and Germany in an unnecessary way, they have only themselves to thank in selecting an inflammatory orator of this description to enunciate their policy.

No papers have ever been produced on this question.

## CHAPTER XXVI

### HOME RULE, TARIFF REFORM AND FOREIGN POLICY IN 1912

AT the beginning of the year 1912 an official Liberal described the prospects of the Party in the Session upon which they were entering as satisfactory. He could see no signs of disintegration or abatement of zeal. A year before they had the great constitutional struggle with the House of Lords, with all its difficulties and risks. That problem had been solved successfully. The programme for 1912, he wrote,

is doubtless formidable in quantity — the Home Rule Bill, Welsh Disestablishment, and a reform of the franchise; but it is no adventurous sailing on new and unchartered seas, as may be said to have been the case with the Parliament Bill, the 1909 Budget, and the Insurance Bill.

The Irish Home Rule Bill would be simpler than its predecessors of 1886 and 1893, as the Irish land question had been settled, and local government had been conceded. The Welsh Disestablishment Bill would not differ greatly from that of 1895, nor would the Franchise Bill be a complicated measure, though the advocates of Women's Suffrage might cause difficulties.

Meanwhile the ranks of the Unionists, on the eve of a bitter struggle against Home Rule, were divided and distracted on the issue of Tariff Reform. There was a growing demand that the Food Taxes, which Joseph Chamberlain had considered essential to his scheme of Imperial Preference, should be dropped, as they had been found to be very unpopular in most of the constituencies. To avert this danger Balfour had pledged the Unionist Party before the December elections of 1910 to a Referendum on Tariff Reform, if the Unionist Party were returned to power. In February 1911 the Fiscal Amendment to the Address was moved by Mr. Austen Chamberlain. His complaint was that the Canadian

Government ought not to be negotiating a reciprocity treaty with the United States, and would not have done so if the British Government had taxed imports of foreign food and so given Canada not merely a free-market but a preferential market. Mr. Asquith pulverized this argument, and Sir John Simon, then Solicitor-General — to quote the *Liberal Magazine* — ‘showed the absurdity of Mr. Balfour’s attack upon the Liberal Government for not offering Canada a food tax on foreign wheat when he himself only offered a referendum’. After this Balfour, tired of composing the fiscal discords of his followers and of hearing the cry, ‘B.M.G.’, came to a decision in November 1911, and resigned the leadership of the Unionist Party. When Bonar Law was elected in his place, the Tariff Reformers naturally expected a much stronger line. But Mr. Bonar Law would only say that the party could not give up Tariff Reform, and that Unionist Free Traders would have to choose ‘between Tariff Reform, which they dislike, and Lloyd Georgeism, which they detest’. But instead of moving the Tariff Reform Amendment to the Address in February 1912, he left it to Captain Tryon and Mr. H. Page Croft to express their regret at ‘the persistent refusal of Your Majesty’s Government to modify the fiscal system of the country’. Molteno followed Page Croft. He pointed out that while Holland imposed an average duty of 3 per cent. on imports from the United Kingdom, Canada, Australia and South Africa imposed duties ranging from 12 to 40 per cent. Yet our Tariff Reformers were asking for a tariff which would compel foreign countries to treat us more fairly.

‘How could it be fair or just to say that we should treat Holland worse than we treat our Colonies?’ Preferential or differential duties would cause discord and friction with the Colonies as well as with foreign countries. Free Trade is the very life and breath of shipping. The output of our shipbuilding yards in 1911 had been 2,000,000 tons, as compared with 255,000 tons built by Germany, 175,000 by the United States and 125,000 by France. Under Free Trade ‘we enjoy the highest wages, the shortest hours and the cheapest food in all Europe’. Then what about peace?

Germany has built up a very large trade in our Colonies. If that is to be threatened by a system of tariffs I can only believe that our relations with Germany must be worse in the future. I would regard the adoption by this country of a system of tariffs as one of the greatest dangers to the peace of Europe.

His foresight was to be sadly borne out after 1932, when the system of Protection and preference adopted in that year by a Coalition Government embittered our foreign relations, diminished our commerce and contributed to the war spirit which created the most disastrous and costly expansion of armaments that Great Britain, her allies, her potential enemies and neutral countries have ever had to endure. With the abandonment of Free Trade and the closing of the open door in our Crown Colonies went one of the greatest securities of the British Empire. So long as we maintained Free Trade and the open door foreign countries might envy our wealth and commerce, but they all felt and enjoyed the

benefit. If any country was to have a great empire they recognized that it would be better for them all that it should be British. Now that their trade is being excluded, an envious but at the same time grateful admiration has been converted into an active animosity, and the British Empire has to trust for its defence to an expenditure on armaments ten times that of 1912, involving an almost intolerable burden of taxation and a deficit of £500 millions!

Eventually, in place of a referendum, Bonar Law substituted a promise that any revenue raised by food taxes in a Tariff Reform Budget would be used to reduce other burdens affecting the working classes, a promise, however, which offered no compensation for the rise in the cost of living which would result from protective taxes on boots, clothing, tools and other manufactured articles.

Molteno supported all the chief legislative measures of the Government during 1912, and opposed a Woman's Suffrage Amendment, which eventually wrecked the Franchise Reform Bill.

Most of his criticisms of public policy and public measures in 1912 were dictated by growing anxiety about public finance and a growing dislike of Sir Edward Grey's foreign policy. The saddest event of the year, and one of the saddest of his life, was his retirement from the Union-Castle Line on April 18th, when he and his fellow-directors formally surrendered the management. From a pecuniary point of view the shareholders had nothing to complain of; for Sir Owen Philipps, afflicted by an attack of megalomania, was ready to pay a very high price for the Line. Merriman, who had done his best to save the Union from the perverse blunder of its Ministers, wrote to congratulate Molteno on his good fortune when he heard of 'the splendid price' obtained from the Royal Mail:

Graaff set out to curse you, and he has blessed you altogether. Whether the blessing will fall on the Colony is very dubious. Graaff has represented Owen Philipps as a kind of commercial altruist, spending huge sums for the love of humanity in South Africa. I shall not be surprised if we find his little finger somewhat thicker than the loins of the old Union Castle Company.

But this piece of good fortune for the shareholders of the Union-Castle Line — a misfortune as it turned out for the Royal Mail<sup>1</sup> — did not compensate Molteno for the treatment he had received or heal his wounded feelings.

I can assure you [he wrote to Robin Wisely, the Company's representative at Durban, who felt as bitterly as he did about the transfer] it is a tremendous and painful wrench to me to be dissociated from you and others on the shore and sea staffs, who have done such splendid work for the Company and given such loyal service for so many years in building it up. It is now second to none in the whole world, and to cease at such a time from all connection with it is a tremendous change. Nothing but the extreme disgust and distrust caused by the scandalous treatment of us by

<sup>1</sup> In October a fellow-director wrote to Percy: 'I think Philipps has jumped out of the frying pan into the fire.'

Percy  
vs Grey re  
Germany  
p. 208  
1912

the Union Government would have induced us to look at the proposition to go out of the Company. . . . We have done all that is possible to secure the staff and made handsome provision for their welfare.

I told the Imperial Government [he wrote to Searle] and I told Merriman when I said good-bye to him, that I would rather go out of it altogether than be compelled to carry it on on less safe and less honourable lines.

For three generations — my grandfather, my father and I have done our best to develop the resources and communications of South Africa by land and sea; and this is the reward we get from men who can't show that they have done a hand's turn to enrich or develop South Africa.

*New Street* Now instead of dealing with a Line which had only South African interests to consider the Union Government would have to deal with a combination whose interests were world wide. The politicians with whom he had had to negotiate were

as ignorant as children of the very elements of shipping and full of enmity and suspicion; and they were backed by men who admitted that their leading motive was a vindictive feeling against Sir Donald!

A pleasant diversion from business and politics was afforded by a visit to Cambridge on February 3rd, 1912, when Percy took part as an ex-President in a dinner at Trinity (organized by Sir George Darwin) to celebrate the centenary anniversary of the Magpie and Stump. He took the opportunity of arranging with the authorities at Trinity College for the entry of his son D. Jervis Molteno and of his nephew George Murray. He also called on Mr. Sidgwick, the Principal of Newnham, as he was anxious that his daughter Margaret should take a course of agriculture at Cambridge.

From Cambridge he travelled to Dumfriesshire and addressed some large meetings which 'went off very well'. At the end of February he gave his support to Lewis Harcourt, a member of the Cabinet, who was organizing a non-party demonstration against Woman's Suffrage, and told his agent in Dumfriesshire that he must take a definite line on this issue.

It is hardly loyal to the Prime Minister [he wrote] or fair to the Party — seeing the big programme we have in hand — to run this raging, tearing propoganda in favour of a matter on which the country has as yet had no say.

In a letter to his friend Ancurin Williams, who was raising money for the Guildford Liberal Association, he enclosed a fairly substantial cheque, but added — to explain why it was not larger: 'I have to run a very expensive constituency, and although Members of Parliament have been offered a salary of £400 a year, I have not thought fit to accept this.' In the same month (February), apropos of a by-election in Glasgow, he wrote to W. Dickie, the Editor of the *Dumfries Standard*: 'the drop in the voting in Glasgow is serious, and tends to confirm my view that the method of handling the Insurance Bill has done us great injury.' He regretted very much that the Prime Minister had got rid of Lord Pentland (Captain

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*Jameson et al*

*JL*  
*Jervis Molteno*  
*George Murray*  
*enter Comm*  
*1912*

*No MP Salary for Percy*

Sinclair) from the Cabinet by making him Governor of Madras. Sinclair had gained the confidence of Scotland, 'and would have administered our Landholder's Act with sympathy and initiative'. Asquith chose as his successor McKinnon Wood, who was an Imperialist, though he knew nothing of Scottish agriculture. This change was a distinct loss to the peace section of the Cabinet, and a still more serious one occurred in July when Loreburn retired from the Lord Chancellorship.

Emmet  
NB

At the beginning of April Percy read in one of the Cape newspapers a report of a meeting over which Lord Chief Justice de Villiers presided: 'To consider how a representative collection of South African plants might be got together, and how the natural flora of the Peninsula might be protected.' He thereupon wrote to de Villiers:

I was very glad to see that this movement had taken place, as I was much disquieted on my last visit at seeing the destruction that was being wrought by the permits given to gather flowers on Table Mountain and the Constantia Mountains. It seems to me very unfortunate that these mountains should be denuded of their botanical treasures for commercial purposes. I should like to see prohibition of the sale of any flowers not grown in private grounds on all the mountains of the Cape peninsula. If this were too large an order at present, I think Table Mountain itself ought to be absolutely preserved from all collecting or gathering of flowers. It is a splendid botanic garden in itself, and ought to be strenuously preserved from all depredations.

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He had seen with disgust that plantations were being started on the Constantia slope of Table Mountain by the Forest department. 'It seems to me a thousand pities that the wonderful variety of species which exist on that slope should be destroyed to make room for the monotony of gums, pines and other trees.' Percy was ready to join the Society and to allow it to make use of his property at Miller's Point for a garden of rare plants; but on hearing that it was to be under Government he took no further interest in the matter.

Percy's letter  
of Nature

His last letters from the Union-Castle offices at Fenchurch Street were written early in May. He then took a holiday on the Continent and enjoyed a few days in Venice. On his return he became the owner of a splendid Rolls Royce car, which remained in perfect order for more than twenty years.

TL  
1912

Only after selling Union Castle Co.  
Buys a Rolls / lasts 20 yrs

To a friend in the constituency, Joseph Urquhart, Percy wrote on July 2nd:

What a charming letter Lord Pentland writes to you! A great wrong was done to Scotland when he was put out of the Secretaryship just at the time when he was going to put the (Small Holders) Act, of which he was the Author into effective operation.<sup>2</sup>

There is little doubt that had Molteno been an imperialist he would have been appointed Pentland's successor. As it was, Asquith offered him a baronetcy, which he refused without hesitation.

On July 2nd, 1912, Percy informed Merriman that Sir Owen Philipps had left South Africa without a Mail Contract 'although he seems to have been prepared to do all he could to meet the wishes of the Ministry'. Botha's Cabinet still appeared to think they were Heaven-born geniuses; but so far their shipping policy had

only landed them in the position of having to deal with a much more powerful combination than the one they complained of before and with the necessity of finding interest on a far larger capital.

On the Colonial Vote last week I drew attention to some of their essays on finance, pointing out how they were interfering with us here, with the added result that they are frightening the British and Continental investor. I shall send you a copy of my address at the annual meeting of the Real Estate Corporation. . . . I see you have been drawing attention in the Union Parliament to the damage done to credit by their recent action. How much better it would have been if you could have been at the head of affairs in the first years of the Union. However, your time appears to be coming, and the exit of Hull to tend to break up the Cabinet. . . . I see from a press report that my remarks in the House have been cabled out, and that Botha indignantly repudiates the idea that you do not want capital. This we perfectly understand, but his Ministry is undoubtedly frightening it away.

In regard to affairs here, as you truly say, there are some unpleasant signs. I have just taken strong steps within our own Party to get the large surplus of last year used for its statutory purpose, payment of debts; and Lloyd George has had to yield, as a large number of Members are acting with me.

Molteno's victory over Mr. Lloyd George, to which he refers in this letter, was a signal achievement on the part of a private Member against so popular and powerful a Minister. It happened in this way. The financial year had ended on March 31st, 1912, with a large surplus of £6½ millions, which would have gone automatically by law to the reduction of the National Debt, but in his

<sup>2</sup> Just before leaving for Madras Pentland wrote a long letter to Percy saying: 'To have had a hand with yourself and others in the working of the small Landholders' Act was a dream too good to come true for me'. But he was glad to feel that there would be some driving power in the House of Commons behind it. He shared Percy's regret that Loreburn too had left the Cabinet, and wound up: 'let me say that if ever you turn your feet towards India in the next five years and we are still there, we shall count on your coming to us at Government House, Madras, for as long as ever you like.'

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Budget statement of April 2nd the Chancellor announced his intention of reserving the whole surplus for 'strengthening the Exchequer Balances'. It was pretty obvious from his statement that he intended to use the money for some undisclosed purpose, and to give legal effect to his design he tabled a resolution

that it is expedient that the obligation to issue the old Sinking Fund to the National Debt Commissioners should not apply to the old Sinking Fund for the year ending March 31st, 1912.

Moltano thought this a most improper proposal and one which would form an evil precedent for raiding the Sinking Fund. It was not even justified by any information about the objects on which the money might be spent. After consulting Mr. (now Sir) Richard Holt and other friends in the House of Commons Moltano took action early in May and a deputation was appointed to lay their objections before the Prime Minister. Mr. Asquith's secretary, Mr. M. Bonham-Carter, replied that it was a large question of policy, and that owing to pressure of engagements the Prime Minister and Chancellor of the Exchequer would have difficulty in arranging a date for receiving the proposed deputation. Thereupon Moltano drew up a list of objections to the course proposed by the Chancellor of the Exchequer, and summoned a meeting of his supporters in one of the Committee Rooms to consider what action should be taken in the following week when Mr. Lloyd George's resolution for diverting the surplus would come before the House of Commons. Moltano took the chair, and it was decided to oppose the resolution. After the meeting he wrote to the Prime Minister:

Dear Mr. Asquith,

As a meeting held to-day of your loyal supporters who are opposed to the withholding of last year's surplus from the purposes of the Old Sinking Fund, it was recognized that it was difficult for you to afford them an opportunity of laying their views before you in person owing to the pressure of your many engagements; and a unanimous resolution was passed directing me, as chairman of the meeting, to convey to you the strong feeling of those present against the diversion of this surplus from the purposes of the Sinking Fund.

Yours faithfully,

P. A. Moltano.

At the same time a memorandum drawn up by Moltano was sent to the Prime Minister. It has never been published and deserves a place here not only in the record of Moltano's Parliamentary work but in the annals of Treasury finance.

#### HEADS OF REPRESENTATIONS TO THE PRIME MINISTER

(1) We desire to draw attention to the feeling which exists among us as loyal supporters, in regard to the withdrawal of last year's surplus of £6½ millions from the purposes of the old Sinking Fund.

(2) We believe it to be without precedent that the Chancellor of the Exchequer should ask the House to hold up £6½ millions, when no object has been stated to which the bulk of the money will be applied.

(3) We consider it to be the negation of the policy of saving and economy, to spend this fortuitous surplus in addition to the other large estimates voted for last year.

(4) This surplus has been due in large measure to continued and unexampled prosperity in trade, and if this be now spent we should really be spending to the very top of our bent at a time of prosperity. We think that at such a time it is prudent to make the largest provision for debt possible.

(5) We are prepared to vote whatever sums may be necessary for the public service, whether for the Navy or any other purpose, but if this surplus be now spent, it is a vital blow at the principle of Parliament voting money for definite purposes only, which is the cardinal principle of our finance.

(6) We think that it would be straining at a gnat and swallowing a camel, to establish an Estimates Committee for purposes of economy, and at the same time expend this surplus instead of paying off debt with it.

(7) We do not think it to be in accordance with Liberal principles, to allow any Chancellor of the Exchequer to have at his disposal the sum of £6½ millions; it gives him a power which quite conceivably might be used for obtaining an undue influence over members.

(8) It was clearly perceived when the rule was laid down that surpluses should go to the payment of debt; but if you hold up a sum of this nature, every interest will be at the Chancellor of the Exchequer to get a share of it, with the result that the greater part of it will be wasted.

(9) We now borrow money each year for the Irish Land Purchase, which makes it most desirable that our credit should stand as well as possible. We also expend enormous sums on unproductive purposes, the Army and Navy, which tends to depreciate our national credit. Every opportunity which offers should be taken to improve that credit.

(10) There never was a time within our memory when so much debt could be purchased or cancelled for a given sum of money. The sum of £6½ millions added to the new Sinking Fund, would purchase about £16 million of Consols.

(11) The present Chancellor of the Exchequer, having diminished the new Sinking Fund by £3½ millions a year, would seem to be in honour bound not to rob the old Sinking Fund as well.

(12) The present Chancellor of the Exchequer has frequently pleaded in extenuation of the enormous demands which he has been compelled to make upon the taxpayers, that it is Parliament which is always pressing him to spend more, even than he asks for; but in this case, it is he, and he alone, who is encouraging this extravagance.

(13) We feel that it would be the negation of the principles of economy which we have professed to our constituents, if we were to acquiesce in the proposed disposal of the £6½ millions.

We come as loyal supporters, in full sympathy with you in the great tasks which you have in hand at the present moment; and we desire that nothing should be done in any way to diminish your authority in the handling of these great matters; but we feel that we ought not to be asked at such a time to do violence to our own better judgements, and to the principles we have so strongly professed.

Except in the case of one or two individuals, we have refrained from voting against the proposal, while many of us, though feeling so strongly, abstained; but we feel that should the matter come up again we should not be able to adhere to our negative attitude.

Combined firmness and moderation brought its reward. On June 22nd, Charles Lyell wrote to Molteno thanking him for the consideration which had been shown 'at this arduous period' and promising that an opportunity for discussing the subject would be given on Monday. This formal note was accompanied by another marked 'Private' of pleasing brevity:

10, Downing Street.

My dear Moltano,  
It's all right.

Yours, C. L.

On Monday, June 24th, Mr. Lloyd George climbed down. He begged leave to move as an amendment at the end of his own Budget Surplus Resolution the words: 'in so far as the amount of that Fund exceeds £5 millions.'

The compromise was a substantial victory for Moltano. He had saved £5 millions for the extinction of Debt. One million was to be added to the Naval expenditure to defray a supplementary Estimate, and £500,000 was to be employed by the Colonial Office for the development of East Africa and Uganda. Having gained the day, Moltano characteristically took no credit for his success. He did not intervene in the debate, leaving others, who had taken little or no part in bringing the Chancellor of the Exchequer to book, to deliver homilies on financial orthodoxy.

Though the House of Commons, under the influence of prosperous trade, rising revenue and a slackening of Treasury control, was losing its old interest in public economy, sums of £5 millions were not yet regarded as negligible, and the restoration of this amount to its proper purpose made quite a sensation. Consols, which had been declining, rallied and the price rose 7/16 in one day, the cause being, as a City editor recorded, 'a report that the Government will shortly announce that a substantial part of the £6½ millions surplus for 1911-12 is definitely to be allocated to the reduction of Debt'.

*Perry's opp to Lloyd George*

In the following month (July, 1912) a far more important protest was launched by the same group of independent Liberals of the Gladstonian school against the foreign policy of Sir Edward Grey and its accompanying expansion of armaments. They belonged to the Liberal Party, not for what they could get out of it, but for the coherent set of ideals, principles and traditions which had found expression under Gladstone and Campbell-Bannerman in the field of politics and government. From Liberal philosophy and its applications, a prosperous, powerful and progressive democracy had inherited and proclaimed to the world a gospel of voluntary service, equality of opportunity, free trade, public economy and international good will. Since the Reform Bill and the repeal of the Corn Laws there had been built up not merely a school of Liberal thought but, thanks mainly to Gladstone, a great Liberal Party which under Campbell-Bannerman had survived the defection of Chamberlain and the outburst of Imperialism which culminated in the Boer War and Tariff Reform. But the Liberal Party which incorporated these principles, and the principles themselves were now threatened by a deadly but skilfully concealed change of foreign policy at which the Foreign Office was working assiduously with the heads of the War Office and Admiralty. At this stage the independent group of Liberals (which had the support of important newspapers like the *Manchester Guardian*) was reinforced by several members of the Labour Party, and on July 22nd, 1912, they several of

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them took part in a debate on the Navy Estimates. Mr. Winston Churchill, who had executed a complete *volte face* since his promotion to the Admiralty,<sup>3</sup> seized the opportunity of 'surveying the situation' after a fashion which, as Balfour put it, brought before the House of Commons 'in almost menacing guise the ever-darkening clouds threatening us from the European side', and caused 'more grave thought on the situation of this country than any speech delivered in this House, not excluding the famous speech made by the Foreign Secretary three years ago'. The menace, said Balfour, meaning the menace of a hostile Germany, can only be met by 'unwearied exertions and unceasing sacrifices until this insanity of foreign construction is brought to an end'. Balfour saw how horrible, how frightfully destructive of accumulated wealth and human life an all-embracing modern war would be. He therefore attached importance 'to the way in which the Great Powers of Europe are, as it were, crystallizing', but expressed a hope that no one of them would be 'so insane as to make alliances involving itself in an offensive war in a cause in which it has no quarrel at all'. In any case, he surmised, the prodigious and appalling cost of mobilization supplied a sort of guarantee of peace, all the stronger because Europe was organized into two camps. And he took comfort from this further thought:

We need hardly suppose that our evil fate, or even the most imbecile diplomacy, would force us into conflict with three nations (the Triple Alliance of Germany, Austria and Italy) with whom we have no cause of quarrel.

This speech and that of the Prime Minister were marked by Percy Moltano in a copy of the Hansard report which lies before me; but before intervening he waited three days longer. The opportunity came on Thursday, July 25th, when Arthur Ponsonby (now Lord Ponsonby), who had been Campbell-Bannerman's secretary, and had succeeded him as Liberal Member for Stirling, took the opportunity of a vote for the Committee of Imperial Defence to move a reduction, though the Prime Minister had introduced it by assuring the House that our special and intimate relations with France and Russia were 'in no sense exclusive friendships', and that 'our relations with the great German Empire are — and I feel sure are likely to remain — relations of amity and goodwill'.

While favouring adequate naval defence, and without challenging the amount of the Naval Estimates, Ponsonby challenged and deplored the fatalism of our diplomacy and the grouping of the European Powers for the maintenance of what was called the Balance of Power. Mr. Asquith had mentioned the War Book', and had

<sup>3</sup> At this time an angry Liberal wrote to Moltano from Erin: 'I fear Churchill has sold himself body and soul to God Jingo. When a man hears his enemies cheering him to the echo, he may well doubt whether he is speaking from the proper side of the House.' Another wrote: 'A little more of Mr. Churchill, and a distinct secession from the Liberal Party is sure to take place. . . . The question of war and peace is greater to me than Home Rule, Free Trade, Church Liberty, Insurance, or Pensions.'

told how the Committee of Imperial Defence had got everything mapped out in readiness for war. On hearing that 'I wondered in what Department the Peace Book is kept'. Ponsonby's argument was supported in a very powerful speech by Moltano, who had prepared his ground thoroughly. The Liberal Party, he began, came into power on a policy of Peace, Retrenchment and Reform, and a reduction of armaments; yet 'we find already that we are £12,000,000 ahead on the Naval Estimates over our first year of office'. Listening to the speech of the First Lord of the Admiralty (Mr. Churchill) on the previous Monday he felt that the picture drawn was one of unrelieved gloom. It told them that the Cabinet was going to be committed to the policy of two keels to one against Germany, thus opening up a vista of unlimited naval expenditure. The only consolation was Balfour's, that unlimited expenditure on armaments 'is not so bad as modern war'. He went on to quote Disraeli on the policy of competitive armaments:

It means garrisons doubled and trebled. It means squadrons turned into fleets in an age of mechanical invention to which there is no assignable limit. It means a perpetual stimulus to the study of the science of destruction.

He quoted Gladstone's letter to Morley in 1894, when he resigned on the programme of naval expansion:

My name stands in Europe as a symbol of the policy of Peace, moderation and non-aggression. What would be said of my active participation in a policy that will be taken as plunging England into the whirlpool of militarism?

'In 1895', said Moltano, 'Imperialism (under Rosebery) started on its devastating career.' In ten years from that time our expenditure on armaments had risen from £43 millions to £73 millions. He reminded the House that the German Navy Law of 1900 was passed, according to Prince von Bülow, because

British policy had undergone an alteration. From the end of the Napoleonic Wars down to the 'seventies and 'eighties, the policy of England was governed by the ideas of Adam Smith and John Bright, and by the principle of non-intervention.

But 'now,' said Bülow, 'the Imperialist movement is constantly gaining ground.' Next Moltano exposed the folly of the Dreadnought 'invention', which had made our great fleet of battleships more or less obsolete and had so enabled any other Power to challenge us by merely building Dreadnoughts. Campbell-Bannerman had introduced a policy of moderation, and for a time things quieted down. Then, in 1909, the country was suddenly startled with a threat of war, and a naval panic was got up, which quickly increased the naval expenditure, despite the opposition of Mr. Lloyd George and Mr. Churchill. The latter, speaking at Manchester on May 23rd, 1909, said:

In my judgment a Liberal is a man who ought to stand as a restraining force against an extravagant policy. He is a man who ought to keep cool in the presence of jingo clamour. He is a man who believes that confidence between nations begets confidence and that the spirit of peace and goodwill makes the safety it seeks.

Moltano went on to protest against alliances, or any kind of entanglements with Continental Powers which might commit us to war. On this he quoted a letter of Mr. Gladstone, written to be laid before Queen Victoria when he formed his first Administration, in which he stated as a cardinal doctrine of foreign policy

that England should keep entire in her own hands the means of estimating her own obligations upon the various sets of facts as they arose, and that she should not foreclose and narrow her own liberty of choice by declarations made to other Powers, in their real or supposed interests, of which they would claim to be at least joint interpreters.

Therefore, though he had not opposed the Navy Estimates, he was now voting with Ponsonby because he felt that it was the duty of the Cabinet, in conjunction with the House of Commons, to find another solution.

Before we enter on this endless vista of expenditure we should ask of the Prime Minister whether the door is closed to every other means of bringing about a better state of things

with a view to reducing armaments by agreement. A long and interesting debate was wound up by the Foreign Secretary, Sir Edward Grey, with a defence of his diplomacy as against the foreign policy pursued by Disraeli, Gladstone and Salisbury. It was a disingenuous speech, as may be guessed from a paragraph in which he surveyed the twenty years from 1880 to 1900, and contrasted the dangers then with the comparative safety 'now' (two years before Armageddon) when 'we are great friends with France and Russia'. It is permissible now to say, as Moltano was never tired of saying afterwards, that if we had not been 'great friends' with France and Russia, if we had maintained the policy of 'splendid isolation', or rather of non-intervention and friendly relations with all Powers, great and small, the war of 1914 would not have taken place. On a division 39 voted for Ponsonby's motion and 331 against.<sup>4</sup>

No one in the House of Commons was keener than Moltano about the Navy. He loved the Service and took a far more intelligent interest in all that contributed to its efficiency than most of the M.P.s who talked boastfully

<sup>4</sup> Among those who voted in the minority may be mentioned Percy Alden, Sydney Arnold, J. A. Bryce, W. H. Dickinson, Gordon Harvey, T. E. Harvey, Richard Holt, Sylvester Horne, Leif Jones, Richard Lambert, C. E. Price, Arnold Rowntree and J. W. Wilson. Besides the Liberals there were one or two well-known Labour men, G. N. Barnes, F. W. Jowett, George Lansbury and J. H. Thomas.

on the subject. Early in July he had been at Portsmouth for an inspection of the Fleet and wrote to a friend:

You would have been interested to see a Fleet which is the strongest that has ever been assembled in the history of the world, composed of 233 ships and manned by nearly 80,000 men. Both at anchor and on the move it presented a most imposing spectacle. I went on board the *Lion*, the largest warship afloat—~~27,000 tons and 70,000 horse-power. I found my nephew on board. He had just arrived from the Mediterranean and took me all over it.~~

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1912

Listening to the Front Bench speeches on the Navy Estimates Molteno, as he wrote to Allen Baker (a Liberal M.P. who was working for Anglo-German friendship) felt that it was 'necessary to do everything we can to bring about a better feeling between the two countries. The situation as disclosed by the speeches on both sides is really deplorable'. Both Grey and Asquith had maintained that their policy was right and well calculated to maintain the peace of Europe. In reply to Ponsonby Grey had said: 'The Member for Stirling wishes us to have no special friends in foreign policy. Is not that going dangerously near—might it not at very short notice bring you back to—the policy of splendid isolation?' Then we might be in as bad a case as we were in the twenty years between 1880 and 1900. He did not explain why he thought we were in a bad case then, or why with hugely increased armaments we were in a better case in 1912 when instead of playing the part of a neutral between the great powers of the European Continent we had involved ourselves in special friendships. Asquith tried to pacify his anxious supporters and to allay their suspicions. He deplored the lamentable expansion of armaments and declared that Britain had no aggressive designs and coveted no territory. 'The greatest of British interests is the peace of the world'. We were compelled, he added, to maintain our supremacy at sea, but this expenditure was simply a necessary insurance. With this last proposition Molteno fully agreed. What concerned him were the causes of a menacing and wasteful rivalry in armaments, and he could not but observe that neither Asquith nor Grey denied that they had broken with the traditional British policy of avoiding entangling alliances, though they frequently stated that they had no military commitments to France and Russia. Nor had they in this debate given any guarantee or assurance that they would be able to keep Great Britain at peace, as previous British Governments had done in 1859, and 1866, and 1870, when Continental Powers went to war. Molteno took care to have a full report of his speech in the *Dumfries Standard* and received many thanks and congratulations from his constituency.

Considering how long Christianity had been professed in Europe he often wondered why the teachings of its Founder had made so little impression on the minds and practices of statesmen. Even if they could not be expected to observe the golden rule of 'Do unto others', it might at least have been hoped that rulers would be sufficiently enlightened to put themselves in one another's

places and see themselves as others saw them. Molteno could always look at foreign policy and the policy of foreign governments by the light of this principle. As he put it to one of his supporters on August 7th:

~~We shall never get a proper understanding with Germany, until we are able to take a view which recognizes the German side as well as our own. I have had a considerable number of letters and personal thanks for my speech, which I know represents a large body of feeling not only in the Liberal Party but in the Cabinet itself. It is very essential that the views I put forward should have expression.~~

He told another correspondent that 'the numbers in the Division did not give adequate expression to the feelings in the Party'. The letters he was receiving were 'of assistance and encouragement' to him and his friends 'in opposing this suicidal policy'. In the second week of August he addressed meetings in Dumfriesshire on this and other subjects; and in September he took a holiday in Switzerland. He was back in the House of Commons in October. Mr. Lloyd George's activities at this time were causing a good deal of uneasiness to Liberals of the Gladstonian school. In a letter to Lord Channing on October 11th, 1912, Percy wrote:

I quite agree with what you say in regard to this absurd idea of taxing rent out of existence. The way in which prominence has been given to the ill-considered and ill-digested suggestions of the men you name has done an immense amount of harm. Lloyd George is largely responsible in his feverish hurry to seize upon any movement which may keep him in the limelight. It is very disloyal to Asquith, who has a stupendous task in hand in carrying Home Rule, Welsh Disestablishment and the Franchise Bill. Liberals should concentrate on these and not rush out into public with such ill-considered schemes. He was told pretty plainly that if he went on in that way he would break up the Party, and I am glad to see that he has had the sense to cancel the meeting he was to have addressed on the 26th on Land Policy.

Asquith's speech at Ladybank on Saturday was excellent. He said just what wanted saying, and it has done great good.

In my opinion Lloyd George made a profound mistake in rushing through the Insurance Act last year. Whether we recover from the effects or not, it has for the time being impaired our position in the country more than anything we have done since 1906, so that just when we ought to be strongest in the public eye to carry Home Rule we are losing by-elections.

The pressure of the Whips was so severe at this time that he wrote to a friend who had tried to get him to a meeting in Surrey: 'You may have observed that all rules in regard to hours at the House of Commons are suspended, and we cannot tell when we can get away.' The Session in fact went on far into the New Year.

At this time hostilities in the Balkans threatened danger to the peace of Europe, and on November 12th Molteno wrote a sharp letter of rebuke to the secretary of the

National Reform Union, of which he was a prominent member, for issuing a pamphlet about the reign of terror in Macedonia, which contained statements about what was alleged to have occurred in 1898, 1902 and 1903:

It seems hardly fair to bring out statements of events of that time to justify war in 1912. Taking no sides, either Balkan or Turkish, in this matter, I regret very much that such statements calculated to raise prejudice should be circulated by the Union.

The National Reform Union, as I understand, stands for international goodwill, and I had hoped that it would see its way to support the Concert of the Powers at a crisis like this, and would not endeavour to excite feeling and prejudice which must make it much more difficult for Governments to do what is right. The effort of the Union appears to be directed to remedy wrong by the brutal, violent and irregular process of force and war to which I had believed hitherto it was opposed.

Seeing that the Concert of the Powers is the main and perhaps the only barrier to the outbreak of a European War, I should have thought that the Union would have been ready to support our Liberal Government in securing and maintaining this Concert — a policy which Mr. Gladstone also supported and held to be the true way of avoiding European war.

At this time he added his name as a Vice-President to the British Council for Fostering Friendly Relations between the British and German Peoples.

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It seemed as if a really hopeful movement had been started. The Committee for an Anglo-German understanding, or Entente, to supplement the Entente with France was becoming an influential body. Among its Vice-Presidents were the Archbishop of Canterbury, Cardinal Bourne, the Duke of Argyll, the Lord Mayor of London and Sir John Brunner. Molteno's intimate friend and political ally, Gordon Harvey, was Honorary Treasurer. In short, as Lord Avebury had put it to Molteno earlier in the year, they were making 'a determined effort to establish better feeling between Great Britain and Germany'. And they felt certain that their aim

would meet with the sympathy of an overwhelming majority of the British people irrespective of political party; for only by a cordial understanding between Great Britain and Germany can the peace of the world be fully restored.

Molteno's correspondence reveals the full extent of his activities in opposing a foreign policy which provoked naval expansion and the rivalry of armaments in Europe.

A number of editors and journalists, including C. P. Scott of the *Manchester Guardian*, A. G. Gardiner of the *Daily News*, H. W. Massingham of the *Nation* and myself ~~I was then editor of the *Economist*~~ supported Molteno's group of M.P.s, and in the autumn of this year (1912) we collaborated with Earl Loreburn and Sir John Brunner, who was then president of the National Liberal Federation. As a result of these talks Sir John Brunner (who was heart and soul with us) addressed on October 15th a letter to the chairmen of all the Liberal

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