South Atlantic Council

The British-Argentine long-lasting relationship Reflections on the Bicentenary of the May Revolution

By Alan Tabbush, OBE LLB

An earlier version of this paper was read on 11 June 2010 at a gathering organised by the Argentine Embassy and the Association of Argentine Professionals in the UK (APARU), at the Embassy Residence in London. The purpose was to celebrate the bicentenary of the Revolution which took place on the 25 May 1810 in Buenos Aires and to chronicle Britain's role in fostering the economic growth of the Argentine Republic ever since.

Three years later, the strength of the Argentine-British relationship is somewhat impaired by rhetorical hostility surrounding the question of the Falkland Islands. Nevertheless full Argentine diplomatic representation was resumed with the arrival of Ambassador Alicia Castro in March 2012, after an interval of more than four years without an ambassador in London. Bilateral trade in goods continues at the level of £900 millions and bilateral trade in services rose in 2011 to £400 millions. The history of the relationship is worth retelling as a backcloth to finding an equitable solution to the South Atlantic conflict.

The Revolution of the 25 May 1810

The events of 25 May 1810 mark the beginning of the emancipation from Spain of the inhabitants of what was to become the United Provinces of the South. The core of this territory later became the Argentine Republic.

The British made their own contributions to the May Revolution. The occupations of Buenos Aires after the "English" invasions of 1806 and 1807 were followed by liberal ordinances, especially regarding equity and social justice as well as free trade. The first moves towards emancipation resulted from the encouragement given to their captors by British prisoners, particularly Beresford, to rise against Spain. The seeds of independence had been sown earlier in London in 1797 by the Venezuelan Francisco de Miranda, who founded a Masonic Lodge, the *Logia Lautaro*. A number of lodges or secret societies were formed by Spanish Americans and Britons which gradually won the support of prominent creoles in Spain, such as San Martín and O'Higgins, who were part of the Cadiz Lodge. Great Britain fostered emancipation in its search for new markets after the loss of the North American colonies.

In the years preceding the May Revolution, there had been changes in the Spanish monarchy. Charles IV abdicated in favour of his son, Ferdinand VII, in March 1808. Napoleon intervened shortly afterwards and proclaimed his brother, Joseph Buonaparte as King Joseph I of Spain, in June 1808. Opposition to the French forces of occupation grew in metropolitan Spain and a Central Junta was formed to govern in the name of Ferdinand VII. These changes were reflected in the colonies where allegiances were divided between creoles and Spaniards. The governance of the colonies was carried out in provinces by the viceroys appointed by the Spanish king and under them, the *Cabildos*,

¹ *UK Balance of Payments, 2012, ONS.*

municipal councils. On matters of great importance, leading members of the population were convened to a *Cabildo Abierto* or Open Cabildo.²

In Buenos Aires, Sobremonte had been deposed as Viceroy by a Council of War in February 1807, to be succeeded by Liniers as interim Viceroy in March 1808. Liniers was loyal to Ferdinand VII and was supported by the creoles, who thwarted an attempt in January 1809 by the local Spanish party to force him to resign. Liniers, a Frenchman, was regarded with mistrust by the members of the *Cabildo* and his loyalty to the Spanish Crown was suspect. There was also pressure from the Portuguese in Rio de Janeiro, seeking to insulate their possessions from the turbulent Spanish viceroyalty. Together with the *Cabildo* of Buenos Aires, Elío, the Governor of Montevideo, plotted the removal of Liniers, who was his superior. This led to a trial of strength in January 1809, between the militia loyal to Liniers and the rebel militia. Although Liniers survived this threat, he was an interim viceroy and Cisneros, a naval officer, was designated to replace him. Cisneros arrived in Montevideo in June 1809 and a month later Liniers and Cisneros entered Buenos Aires together. Cisneros tried to establish calm by removing Liniers to the country, shipping Elío off to Spain, and reducing the militia to four battalions, only two of which were creole.³

Support for democratic and republican ideas combined with demands from farmers and British businessmen to break the commercial monopoly of the Spanish crown. Cisneros in November 1809 finally approved trade with the British, in spite of opposition from some large local traders and from local artisans.⁴ Meanwhile the authority of the metropolis was crumbling. When news came to Buenos Aires on British ships that Andalucia had fallen to the French, and the Central Junta resisting the French had dissolved itself, loyalty to the mother country eroded in the colonies. Cisneros tried to maintain his authority. However, the creole militia dominated Buenos Aires and withdrew its support for the viceroy. Support for independence was growing and a request to convene an open Cabildo was granted. After a week of upheaval and popular revolt, Cisneros was ousted on 25 May and a "First Junta" was created in Buenos Aires. This event marked the beginning of the struggle for independence. The Junta then had to win legitimacy and face counter-revolutionary forces in the interior of the country. The process continued over many years. Military expeditions were sent north to Bolivia and Perú, to Paraguay and Uruguay, with mixed results. On the 9 July 1816, a formal Declaration of Independence was approved by a Congress in Tucumán. With this backing, San Martín crossed the Andes with his army and engaged the royalists in decisive battles, consolidating the independence of Argentina and leading to the independence of Chile and Perú. Uruguay and Bolivia later went their separate ways, breaking away from the United Provinces.

The British influence

Great Britain has had a significant and, I suggest, mutually beneficial relationship with Argentina since the May Revolution and even before. The failed "English" invasions of Buenos Aires of 1806 and 1807 gave impetus to free trade and, more importantly, to a longing for independence. In the months before the 25 de Mayo, there was a squadron of four Royal Navy ships in the River Plate, commanded by Captain Charles Montagu Fabian. At 11am on the 26 May, Captain Fabian, together with Lieutenants Perkins and Ramsay and the interpreter Fred Dowling, was received by Cornelio de Saavedra and some other members of the First Junta and said to Saavedra that "as Commander in Chief of the British Squadron, he had come to present his greetings to His Excellency and congratulate him on his appointment in the name of his beloved Sovereign Ferdinand VII" to which Saavedra replied that "it is the intention and wish of this Junta to continue its firm alliance with the

F.G. Sommariva, *Lecciones de Historia Colonial Americana y Argentina*, Librería del Colegio, Buenos Aires, 1941, pp 268 et seq.

³ Halperin Donghi, Tulio: Historia Argentina – De la Revolución de Independencia a la Confederación Rosista, Paidós, Buenos Aires, 1972.

⁴ Halperin Donghi, *op cit*.

King of Great Britain". That interview, only a few hours after the constitution of the Junta was, according to the Argentine historian Bernardo Lozier Almazán, "el primer reconocimiento diplomático que tuvo nuestra patria en sus albores", the first diplomatic recognition of our country at its dawn.⁵ Shortly afterwards, Alexander Mackinnon, the main British businessman, led his fellow Britons to call on Mariano Moreno, the Secretary of the Junta, "to congratulate him on the change and receive assurances that their commercial interests would no longer be subjected to any interference".⁶ Indeed, by the time of the Revolution, the local British community was estimated to number 124 people, mostly traders, anxious to be allowed to unload their goods; it was trade, not conquest, that was the main driving force of British foreign policy at the time. Pitt had been receptive to the views of the Venezuelan patriot, Francisco de Miranda, and later Castlereagh and Canning encouraged free trade in the Spanish colonies, both as a way to combat the France of Napoleon which controlled Spain and to open new markets for British products. Even before 1810, Viceroy Cisneros was pressed to authorise commerce with England by the group of British merchants and by the "hacendados" or farmers who found in Mariano Moreno a staunch advocate in his "Representación de los Hacendados".

The years after 1810 led to the Declaration of Independence in Tucumán on 9 July 1816. San Martín had returned to his country of birth in 1812 and by 1822 was instrumental in consolidating the independence of three countries: Argentina, Chile and Perú. Several Britons served under him: Miller, Paroissien, Guise, O'Brien. British merchants ploughed their trade, meeting in the Commercial Rooms in what is today Calle 25 de Mayo, not far perhaps from where the English Club used to be, until quite recently. Among the merchants was Robert Staples, who acted as unofficial British consul and was the first to post in Europe the news of the Declaration of Independence.

Canning played an important role in the independence of Spanish America and of Brazil during the first quarter of the nineteenth century. He had been Foreign Secretary from 1807 to 1809 and became deeply involved in the affairs of Portugal, Spain and their American colonies. He was instrumental in the transfer of the Portuguese Court from Lisbon to Rio de Janeiro in 1807-8, away from the Napoleonic wars. At about that time, the Latin American struggle for emancipation from Spain and Portugal began, from Mexico to Buenos Aires. Inspired from London by the Venezuelan, Francisco de Miranda, at whose feet San Martín and Bolívar sat, independent 'juntas' were created in Caracas and in Buenos Aires. It was the new Caracas government which sent Bolívar to London in 1810 to look for help in the struggle for independence; he was accompanied by the young Andrés Bello who would remain there for eighteen years before returning to Caracas and some years later moving to Santiago de Chile. A lawyer, classicist and educationist of immense learning, Bello, like the Argentine Sarmiento, was to have great intellectual influence throughout the Continent.

Great Britain's policy from then on was to think in terms of the recognition of those Spanish American states which were *de facto* independent and with which Britain had close commercial ties. Canning pressed on with this policy when he returned to office in 1822 after some years in the wilderness, mindful of Britain's commercial interests and worried too that the United States were trying to divide America from Europe. Thanks to Canning's efforts, Portugal recognised the independence of Brazil in August 1825, three years after Brazil's declaration of independence under Pedro I, thus opening the way for recognition by Britain and the other European powers. In the same year of 1825, Great Britain recognised the independence of Mexico, Argentina and Colombia. Woodbine Parish had arrived in Buenos Aires in March 1824 and proceeded to negotiate a treaty of friendship, navigation and commerce between Great Britain and the United Provinces of Río de la Plata, signed in February 1825, Article I of which reads as follows:

⁵ Lozier Almazán, Bernardo: Beresford, Gobernador de Buenos Aires, Editorial Galerna Buenos Aires, 1994, p. 250.

⁶ Graham-Yooll, Andrew: *The Forgotten Colony – A History of the English-Speaking Communities in Argentina*, Hutchinson, London, 1981,p. 62.

"There shall be perpetual amity between the dominions and subjects of His Majesty the King of the United Kingdom of Great Britain and Ireland, and the United Provinces of Río de la Plata, and their inhabitants."

The treaty was signed by Woodbine Parish, HM Consul-General in the Province of Buenos Aires and its Dependencies, and Manuel José García, Minister Secretary for the Departments of Government, Finance and Foreign Affairs of the National Executive Power of the said Provinces. In an electrifying speech in Parliament in December 1826, Canning said, famously: "I resolved that if France had Spain, it should not be Spain with the Indies. I called the New World into existence to redress the balance of the Old".

Perhaps a key figure in the relationship with Great Britain was Bernardino Rivadavia. He was sent to London with Manuel Belgrano in 1814, where he remained for six years, to seek recognition of Argentina's emancipation. Several monarchic schemes were pursued. He met and corresponded with Jeremy Bentham, the utilitarian philosopher whose radical views he shared and many of which he implemented later whilst a minister in the government of Martín Rodríguez (*la feliz experiencia*): judicial and civil service reform, lowering customs tariffs, ecclesiastical and military reform, preoccupation with public imagery, etc. The negotiations for the Baring Brothers £1 million bond were started by Bernardino Rivadavia in 1822 and concluded by the Robertson brothers. He went on to found the University of Buenos Aires in 1821, five years earlier than Bentham's founding of the University College London, and in 1826 became the first President of Argentina, by virtue of the 1826 Constitution. He had to dip into the Baring Brothers loan in order to finance the war with Brazil over the Banda Oriental. He made peace with Brazil through the mediation of a British envoy, Lord Ponsonby. Faced with many difficulties, he resigned in June 1827. There followed Dorrego and then Lavalle, a civil war and then Rosas became Governor of Buenos Aires.

In the meantime, the British community did not neglect its spiritual and social needs, founding churches, schools and hospitals. British missionaries visited remote areas. Captain Robert Fitzroy, of HMS Beagle, on a second visit to the Patagonian region in 1833, put ashore three Patagonians whom he had taken on board in 1830 and transported to Britain for education and religious instruction. Charles Darwin accompanied him this time and was later to give an account of his contacts with local Britons and with Governor Rosas.

Rosas had naval battles on the river Paraná with France in 1839 and with both France and Great Britain in 1845, countries anxious to keep the river Paraná open to have access to Paraguay. In 1852, Rosas was overthrown by Urquiza at the battle of Caseros after which he embarked for England where he died. Alberdi then published his seminal *Bases y puntos de partida para la organización política de la República Argentina* and in 1853 a constitution was drafted and adopted (not modified until 1994). There followed a succession of great Argentine Presidents, Urquiza himself, Mitre, Sarmiento, Avellaneda and Roca, the 'conqueror of the desert'.

Around the middle of the nineteenth century, British investment in railways, farms, ports, waterworks, banks, insurance and other industries began. During President Roca's administration, Great Britain mediated successfully between Chile and Argentina in their border disputes. When the first centenary of the May Revolution was celebrated in 1910, British economic influence throughout Latin America was at its peak. In addition to the strong presence in Argentina, there were mines, railways, sugar mills and meat packing plants in Brazil, railways in Chile, oil in Mexico, finance in Brazil and Ecuador and so on. In Buenos Aires, a stone was laid for the building of a clock tower on the site then occupied by the large gasometer at Retiro. The tower, a gift from the local British community, is known as "la torre de los ingleses", the English clock tower. Later, a statue of George Canning was erected on the same site; this has now been moved to the gardens near the British Embassy. Soon after the celebrations, the British Chamber of Commerce in the Argentine Republic was founded. Until then, businessmen had met in business rooms and in the English Club and the Strangers Club.

In London, in that same year of 1910, a group of British and Argentine gentlemen founded the Argentine Club. After the Second World War, this became the Canning Club and it continues as an important forum for business contacts. At the time, the social, commercial and financial relations between Great Britain and the Argentine Republic "had made such enormous and rapid strides that...there are few who either directly or indirectly have not some interest in or connexion with the greatest of the South American Republics". The idea gained wide support and among the gentlemen who "kindly consented to join the General Committee" were chairmen, directors and managers of all the great railways, of shipping lines, banks, meat packers, investment trusts, the gas company, the tramway company and the telephone company, as well as five distinguished Argentines. Two of whom, Don Miguel A. Martínez de Hoz and Don Saturnino J. Unzué, went on to become Presidents of the Jockey Club in Buenos Aires which owns the local hippodromes and counts leading farmers amongst its members. The others were the Argentine Consul-General, Don Sergio García Uriburu, Don Emilio Narciso Casares, the first Argentine merchant in London, at Moorgate Hall in 1903, and Don Ricardo C. Aldao, a lawyer resident in London.

In the years leading up to the First World War, leading politicians such as Roque Sáenz Peña and Indalecio Gómez advocated electoral reform. The electoral roll would be based on military enlistment and there would be a law to elect congressmen and presidential and vice-presidential electors. Roque Sáenz Peña took office on 12 October 1910. An electoral reform bill was sent to Congress on 11 August 1911. On 10 February 1912, Congress enacted Law No. 8879, known afterwards as the Ley Sáenz Peña, making voting obligatory for all male citizens based on the new electoral roll, secret ballot, an electoral system known as 'incomplete list' – not proportional representation but which gave representation to minority parties – and the direct intervention of federal justice to guarantee "the liberty and purity of suffrage". This was a great achievement comparable to the Reform Acts of the nineteenth century in Britain. The statue of Roque Sáenz Peña at the junction of Diagonal Norte and Florida in Buenos Aires, with its crisp, patrician dictum, "quiera el pueblo votar", may the people wish to vote, is well known.

During the First World War, some 5000 volunteers came from Argentina individually to join H.M. Forces and over 2,200 men and women volunteered at the British Consulate in Buenos Aires during the Second World War. The memorial tablets in the central railway stations remember many of them. I hope they are still there.

Hipólito Yrigoyen, who was President of Argentina from 1916 to 1922 and again from 1928 to 1930, when he was deposed by a military coup, was a great admirer of Great Britain and happy to do business with the British, whom he trusted. The first half of the twentieth century saw a change in the pattern of Argentine exports as well as increasing investment by US companies in meat packing and automobile plants, oil companies and utilities, some of the latter having been formerly in British hands. Whilst Argentina could keep up its exports of chilled beef, there was competition from Australia and New Zealand, with their exports of frozen beef and lamb. By the end of the 1930s, the policy of imperial preference had gained ground in Great Britain. The Mitre Law of 1907 regulated the running of the railways in which 100,000 people were employed, besides those engaged in numerous ancillary services, and whose votes would be garnered as a result of Sáenz Peña's electoral reform. The Mitre Law aimed to ensure the many railway concessions operated in equal conditions, especially as regards taxation and tariffs, creating a benevolent investment climate under state control. British owned railway companies proceeded to modernise, increased their rolling stock and extended their lines, stimulating local production. Yrigoyen saw the benefit of this and was alarmed

Quoted from a circular privately sent to a few of those in London intimately connected with the Argentine Republic who might support the idea that "a Club should be formed in London, where Argentine and Englishman can meet on common ground, not as guest and host, but as friends and fellow members".

⁸ López, Mario Justo (h) and Jorge E. Waddell, Compilers: *Nueva Historia del Ferrocarril en la Argentina – 150 Años de Política Ferroviaria*, Ediciones Lumiere S.A., Buenos Aires, 2007, pp. 84-88.

at the prospect of US penetration. "We have worked with the 'English' and with 'English' capital during 50 years. I know them and I know who they are. I do not see the need to change old friends for new ones ". The result was an important British trade mission led by Viscount D'Abernon which arrived in Buenos Aires on 21 August 1929, remaining until 9 September. A preliminary trade agreement was signed that would have introduced a system of reciprocal purchases, materials from Britain for the State railway against increased sales to Britain of grain and beef. The agreement was signed by Lord D'Abernon and Minister Horacio Oyhanarte on 8 November, approved by the Chamber of Deputies, and passed to the Senate, but it did not get beyond committee stage because of the 1930 coup. So it was left for our two countries to sign the much better known, and sometimes maligned, Roca-Runciman Pact in 1931, which achieved some of the objectives of the preliminary agreement, a guaranteed export quota of beef, lower tariff rates on the imports of British goods and duty-free imports of British coal.

The Prince of Wales, later King Edward VIII, visited Argentina on two occasions, in 1925 and again in 1931, accompanied by Prince George of Kent, to open the British Trade Fair.

By the end of 1929, the Argentine railway system extended over 37,550 km, of which some 26,000 were owned by British companies, the leading ones being the Ferrocarril Sud, the Ferrocarril Oeste, the Ferrocarril Central Argentino and the Ferrocarril Buenos Aires al Pacífico. After the 1930 economic crisis, the profitability of the railways began to diminish. They gradually stopped paying dividends and some were unable to service the interest due on their debentures. This situation persisted up to the outbreak of the Second World War, with a concomitant rise in nationalism and therefore of criticism of foreign owned railways. The view grew in both countries that it would be best for the Argentine State to acquire these enterprises. The Ferrocarril Transandino and the Ferrocarril Central Córdoba were sold in 1939. At the end of the Second World War, Argentina had accumulated a favourable balance of £118 million in the United Kingdom, blocked because of wartime exchange controls. The Miranda-Eady agreement to sell the railways was reached on 15 September 1946 envisaging the creation of a company of mixed British and Argentine capital. However, Miranda changed his mind and on 28 December 1946 offered the British negotiators a straight purchase which they were quick to accept. The price for the assets was settled on 11 February 1947 at £150m. equivalent to US\$ 30bn. in 2007.

This was truly the end of an era but not by any means of commercial relations. Prince Philip visited Argentina in 1962 and again in 1966. In 1970, another British industrial exhibition took place in Buenos Aires. President Menem made a state visit to the United Kingdom in October 1998. Trade reached a peak in the 90s and has recovered to the same level after the 2001 crisis.

At the time of the invasion of the islands in the South Atlantic in April 1982, I was Chairman of the Anglo-Argentine Society in London and of a businessmen's committee which met regularly at Canning House to monitor trade and investment, speaking almost daily with the Chairman of the British Chamber of Commerce in Buenos Aires. Urgent representations were made to both governments to refrain from the use of force and reach an agreement. Sadly, this was not possible and there followed a conflict in which more than 1,000 lives were lost on both sides in the short space of seven weeks. This vexed question still clouds the otherwise traditionally good relations between our two countries. In June 1997, I wrote that "economic and cultural links between the United Kingdom and Argentina have strengthened significantly since 1990 and it is desirable to remove any impediments to trade and investment. An agreed solution would prove a substantial boost towards closer political and economic relations." That is still my view.

⁹ López, Mario Justo (h): El acuerdo D'Abernon – Oyhanarte y la política ferroviaria en la segunda presidencia de Yrigoyen (1928-1930), Buenos Aires, 2005.

¹⁰ López, Mario Justo (h): El problema ferroviario argentine y la nacionalización de las companies de capital británico en 1948, Primer Congreso Latinoamericano de Historia Económica, Montevideo, 2007.

Alan Tabbush: Commercial Relations between Britain and Argentina in the 1990s, South Atlantic Council Occasional Paper No. 8, June 1997, p. 25.

This apart, business, educational, cultural, sporting and social relations prosper. Tourism expands both ways. So does investment, especially in SMEs. The descendants of Britons in Argentina (English, Scottish, Irish and Welsh) play their part in maintaining the relationship. One can look to the future with quiet satisfaction for what has been achieved and, perhaps, with a little nostalgic sadness.

AAT, 30 July 2013

Bibliography

Darwin, Charles: *The Voyage of the Beagle*, Wordsworth Classics of World Literature, Ware, Herts, 1997.

Estrella Gutiérrez, Fermín and Suárez Calimano, Emilio: *Historia de la Literatura Americana y Argentina*, Editorial Kapelusz y Cía, Buenos Aires, 1940.

Fernández-Gómez, Emilio Manuel: *Gesta Británica – Revaloración de dos siglos de convivencia*, L.O.L.A., Buenos Aires [Parte I, 1993; Parte II, 1995].

Florit, Carlos A.: El Roquismo, Librería Hachette S.A., Buenos Aires, 1979.

Gallo, Klaus: *The Struggle for an Enlightened Republic; Buenos Aires and Rivadavia*, Institute for the Study of the Americas, London, 2006.

Graham-Yooll, Andrew: *The Forgotten Colony – A History of the English-Speaking Communities in Argentina*, Hutchinson, London, 1981.

Halperin Donghi, Tulio: *Historia Argentina – De la Revolución de Independencia a la Confederación Rosista*, Paidós, Buenos Aires, 1972.

Knight, Alan: *The Oxford History of the British Empire* [Vol. III, Chapter 7, "Britain and Latin America"; Vol. IV, Chapter 27, "Latin America"], Oxford University Press, Oxford, 1999.

Low, Alaine: The Canning Club – Founded 1910, The Canning Club, London, 2003.

López, Mario Justo (h), Editor: *De la República Oligárquica a la República Democrática*, Ediciones Lumiere S.A., Buenos Aires, 2005.

López, Mario Justo (h): El problema ferroviario argentino y la nacionalización de las compañías de capital británico en 1948, Primer Congreso Latinoamericano de Historia Económica, Montevideo, 2007.

López, Mario Justo (h): El acuerdo D'Abernon – Oyhanarte y la política ferroviaria en la segunda presidencia de Yrigoyen (1928-1930), Buenos Aires, 2008.

López, Mario Justo (h) and Jorge E. Waddell (editors): *Nueva Historia del Ferrocarril en la Argentina – 150 Años de Política Ferroviaria*, Ediciones Lumiere S.A., Buenos Aires, 2007.

Lozier Almazán, Bernardo: Beresford, Gobernador de Buenos Aires, Editorial Galerna, Buenos Aires, 1994.

Lynch, John: San Martín – Argentine Soldier, American Hero, Yale University Press, New Haven and London, 2009.

Meunier, Claudio, Carlos A. García, and Oscar Rimondi: *Alas de Trueno - Wings of Thunder*, Autoedición Buenos Aires, 2004.

Newitt, Malyn: War, Revolution and Society in the Río de la Plata 1808-1810, Signal Books Limited, 2010.

Sommariva, F.G.: Lecciones de Historia Colonial Americana y Argentina, Librería del Colegio, Buenos Aires, 1941.

Tabbush, Alan: Argentine-British Trade and the South Atlantic Conflict, South Atlantic Council, Occasional Paper No. 7, London, 1989.

Tabbush, Alan: Commercial Relations between Britain and Argentina in the 1990s, South Atlantic Council, Occasional Paper No. 8, London, 1997.

This PDF file is a copy of the web page www.staff.city.ac.uk/p.willetts/SAC/COMMENTS/AT170813.HTM/. The "Comments" section of the SAC website, is intended for short statements, in contrast to the longer Occasional Papers. All comments published on this website represent the personal opinions of the authors and not the collective opinion of the SAC.