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was a sale for cash at a satisfactory price with adequate guarantee that the transaction would be completed. There was a good deal of uneasiness and some facial expression of it when he calmly announced that he alone would decide whether the price was adequate, and that he was looking after the shareholders only, and treated the rest of those present as being on the other side; namely, buyers who wanted to do the best for themselves. There was no open opposition or argument; it would not have availed and they knew that; besides, they knew that Rhodes's attitude was not only justified but absolutely necessary.

The meeting lasted a considerable time. Rhodes left the room to attend to other matters. The agreement as to the value of the huge parcel was, of course, brought about by those who were willing to stake less; namely, the biggest of those who were dealing; and they came at last to a decision. It was not unanimous; some said: "He won't agree to that"; others, who were known to be close bargainers or nervous investors shuddered at the demand of so large a sum. Thus the figure arrived at was in the nature of a compromise. However, word was finally sent to Rhodes and he rejoined them. Evidently he thought that they had taken their time. He was not patient but very direct, almost curt, in bringing them at once to the crux, namely, the price. No doubt his manner impressed everybody. The figure was barely mentioned when, taking the answer for final, he said shortly: "No gentlemen, it is not enough. I know the value as well as you do," and, turning to Brink, he said: "Put 'em back. That's not good enough!"

However, someone, probably one who knew what was in Rhodes's mind, asked what value he placed upon them, and Rhodes gave the figure. I do not recall the exact sum, probably £600,000 or £700,000; perhaps £150,000 above the offer. There was an appalled silence and some groans of despair, but Rhodes walked out without another word, and the discussion was resumed. Within a few minutes they had agreed to Rhodes's terms, which were that a definite contract with adequate guarantees should be signed in the room and that payment should be made in De Beers' office the following morning, and the diamonds delivered at the same time.

Harris explained frankly from the viewpoint of the buyers that they knew their business perhaps better than Rhodes did and were not the least nervous about the market. Although it was a little uncertain and the uncontrolled output of the mines was rather on the high side for current demands, they were quite sure that even Rhodes's price, to which they had

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agreed, left them a good margin for profit. Moreover, he explained, business is business. "We were free to re-sell at any time and each of us must have thought that with his experience and opportunities he would be able to get in first and re-sell very quickly and at a good profit what he was purchasing. Of course we all knew the enormous advantage to us of buying well-classified stones. It was impossible to do the work better than it had been done. Probably at least six or eight weeks had been devoted to this, and if it had not been done for us by Rhodes we should have had to do it ourselves before we could re-sell—an enormous advantage."

When announcing the terms, Rhodes had said, in effect: "I can make no contract with you binding you to hold these stones off the market, but you are all deeply interested in the mines, and you know how disastrous it would be to have the market flooded with such a number of stones; but I trust to you, who are so deeply interested in the mines and in the industry, and who realize as well as I do the importance of not flooding the market, that you will not disregard this and bring about the very result which we are endeavouring to avert."

"Mind you," said Harris, "that is, of course, what we all felt, but then you know all were really free and, more than that, all were rivals in the market, and no one believed that everybody would exercise this restraint or comply with Rhodes's wishes; and after all, you know, business is business. I dare say everyone of us had an idea of making safe at any rate by getting rid of a fair proportion of what we were buying. So we all agreed to what he said. There was a little chaff among ourselves about Rhodes's idealistic touch, but to many of us the time seemed inadequate for another reason. This agreement which he spoke about would take a long time to draft and to copy in its final form, to say nothing about the discussion of details, and I think the first real jump we got was when Rhodes turned to his trusted officer and said coolly: 'Bring the agreements, Brink.' We simply gaped. Brink produced the various copies completed by lawyers, every essential as he had explained it was clearly expressed, and, most remarkable of all, the exact price was stated—Rhodes's price—and it gave one an extremely queer feeling to realize that he must have had this done by his lawyers, properly engrossed, and the price fixed, at least a day before the meeting was held to discuss it. The agreement was duly signed, the lawyers were present to complete it, and then Rhodes said casually: 'All right, you will get the stones to-morrow when payment is made. They will be here in De Beers' office.

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Brink will take care of them for you. Come along Brink, put them away. And you understand, delivery to-morrow morning against payment.'

"For the moment everyone was happy. Then Rhodes, strolling across the room, spoke to Brink from the head of the long trough where the diamonds lay grouped on their white paper. A wooden bucket was at the other and open end of the trough, and as Rhodes told Brink to put them away he raised the head of the teak trough and shot the whole in a cataract into the bucket. He did it with a most natural movement, just as indifferently as one would toss an old newspaper on to the table. He did not say a word to those round him; was seemingly quite unconscious of what he had done, and strolled out of the room without showing any sign of what had happened.

"Believe me, the faces of our people were a treat, and as soon as Rhodes's back was turned there broke out a babel. The whole work of the sorting was wiped out in one second and for six or eight months the entire output was kept off the market as surely as if it had been locked in De Beers' safe. The expressions on the faces were too wonderful as each one realized some fresh result of Rhodes's action. Many said: 'My God, we have not a word in the contract about the grading or classifying. We just bought the output. Not one of us ever thought of that.' Then at the finish the position was relieved by the calm remark of one of our most prominent men: 'How the Christian beat the Jews,' and there was such a roar of laughter as you would only get from a gathering of Jews, who, after all, *can* enjoy a story at their own expense.

"And mind you," said Harris, "Rhodes was perfectly right. Our stones were locked up; but when we could sell them we realized a much better price than we could possibly have done at the time. His judgment was completely justified."

But there were differences as well as agreements in Kimberley, even on the subject of Rhodes; differences in character, methods and aims, both in business and in public life, and the characteristics revealed in the early days of Kimberley were even more strongly developed in the later years and other spheres, as individuals came to play their various parts as factors in a wider field.

Among these, J. B. Robinson has been from time to time very prominent because of his great wealth, the purposes to which he applied it, the subordination of all other things to his own ends and to what often appeared to savour of personal vindictiveness.

He began his business life as a trader and storekeeper in

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the Cape, but after some success in the Boerwinkel trade things went wrong, and he failed, and was unable at the time to meet his creditors. Kimberley in the early days offered a field for his energy, strength and talents, and he made quite a considerable fortune. But in the earliest 'eighties the inflation and collapse of the market again resulted in his finding himself in the hands of the Banks. He was at that time extremely unpopular in business circles and socially. Personally disliked by practically all those who, being powerful in Kimberley, might have co-operated in such ways as are quite usual when good feeling exists, his position was hopeless; his estate for some time was entirely under the control of the Banks, and could, and would have been realized, even at a heavy loss, had it not been that such a realization during the heavy slump would have had a widely depressing effect.

However, Robinson possessed certain qualities of great value. He was a real worker and a fighter; he had unlimited confidence in himself, and was what is called a good sticker, with a great capacity for work; and, unknown to anyone else, he made an effort which no one would have anticipated but which did produce extraordinary results.

Without any warning he called one day to see Alfred Beit privately; began by saying that everybody hated him and opposed him; no one cared even to talk with him; but that he knew Alfred Beit's kindly disposition and believed that he would not be influenced as others were by personal dislikes and prejudices. He then told Beit that he had received information of gold discoveries or indications in the Transvaal; that he was convinced that there was an immense field, probably the greatest in the world, to be discovered there; that he himself had many friends and even relations in the Transvaal. He had been born and grown up among the Dutch; he spoke their language as his mother tongue (this was indeed true; in fact he spoke English with such a marked Dutch accent as to give the impression that he himself was one of the country Dutch or Boers). He then proposed that Beit, whose firm held the foremost place in Kimberley, should call on the bank on his behalf to secure time and the opportunity to recover; further, that Beit should advance sufficient money to send Robinson to look at the goldfields and secure options or make actual purchases within defined limits and upon terms of participation upon which they should agree.

Beit was attracted by the suggestion, and, having arranged the conditions, Robinson left and began to secure mining rights and to buy farms along the line of the Witwatersrand goldfields.

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To Robinson's credit it should be recorded that he acted and spoke with the strongest conviction that the goldfields were going to be a world's record and that he and those associated with him would make an immense fortune. Obviously that was a good thing for anyone to say to encourage such support as he was getting, but it is worth while recording seeing that his highest anticipations were realized.

It is not necessary to state details of the arrangement. The immediate developments justified limitations, extensions, variations, and subsequently the cancellation of the entire scheme of co-operation. Robinson's incapacity to work in harmony with others made long co-operation impossible.

One of the first investments was the block of claims which subsequently became the Robinson Goldmining Company; one of the greatest mines in the world's history. These claims were bought for what you might call the syndicate; half shares going to Robinson and Beit; the latter, of course, acting on behalf of his firm.

Robinson's egotistical and arrogant spirit manifested itself at once in his insistence upon calling the company after himself. He never had anything more to do with it than securing the option, but Beit had no desire for self-advertisement, and no objection was raised against the name. In a very short while the difficulties of co-operation became more marked and it was clear that further and final division of assets and complete independence of action would be the wisest solution.

Robinson, who was always extremely confident and obstinate in his opinions, decided that the richest part of the fields lay to the west and that Langlaagte was the pick of all. Settlement was facilitated by the fact that he held this view, whereas the Wernher Beit view was the opposite. Rich as was the Langlaagte property the last thirty years have justified Beit's judgment, for the properties on the eastern side, including the Crown, United, Pioneer, Treasury, Robinson and Ferreira, have produced hundreds of millions of gold and made that little patch probably the richest of its size in the world. Not content with the various manifestations in these properties, they profited further by Robinson's preference and conviction, and backed their own judgment by buying from him for £50,000 his half share in the Robinson Mine; so that although the mine was called after him it owed nothing to him, and within a few months he ceased to have even a share interest. This was always a sore point. He resented the loss of authority as well as the loss of profit. He was one of those men in whom the success of another very frequently arouses jealousy and bitter hostility; and this first question of judgment and failure

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to secure domination was a factor to be reckoned with in later years.

Not many years before, the previous owner had himself acquired the farm, Langlaagte, on a portion of which the Robinson Mine and its neighbours existed, in exchange for a second-hand bullock wagon. There can be few more startling contrasts than the price paid at this time in a wagon worth perhaps £30 or £40 and the realized value of the Robinson Mine, namely, 25 millions; and all within the span of half a lifetime.

CHAPTER III

EARLY DAYS ON THE GOLDFIELDS

It is not the purpose here to record any of the sensational or romantic stories of this kind that marked the development of the Rand. The purpose, which may be obscure at times, is rather to reveal the character, aims and methods of those who became more or less considerable factors in the development of South Africa, and slightly to amplify and explain some portions of history as already known, and also to reveal incidents and influences which have never been published and are known to very few indeed. Hence, I give now but one incident out of many, which occurred during the co-operation of Robinson and Beit.

When the extent and continuance of the Banket Reef (the Witwatersrand series of deposits) began to be recognized there was an excited rush to acquire farms where it was thought gold might be found. Under the law the owner of a farm had the right to reserve a certain proportion, say 1 per cent, as his *mijnpacht* or mining right, and in that duly reserved area he had the full right to mine precious metals. In course of time he acquired other rights, and conditions were varied, but the object in purchasing a farm then was to secure the owner's right to mine in a certain area, which area he could locate himself. Hence there came about a boom in farms and mining areas and also in options. The latter were binding options, granted by the farmer, to purchase his farm within a certain time for a certain price. Sometimes a rental during the period of the option was demanded. At first this was not so, nor was any payment made for the option as apart from the purchase price of the farm, until someone discovered that the law did not recognize a transaction in which no consideration was paid.

But other lawyers were equally smart, and discovered that the law did not define the value or proportion of this consideration; hence it was quite common for options to be drawn in legal and binding form and to include the statement, admitted by the seller, that "for this option the sum of £1 sterling had been paid," and that put the matter right in the eyes of the law. But this option business extended over the

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whole of the country and all classes of persons dealt in it. Agents acquiring options for the purpose of re-selling them were never very particular as to the capital price to be paid for the farm, so that the most preposterous prices were frequently stated in these options, and, in fact, most options were nothing more than a basis for negotiation, not the terms for a definite deal. The abuses and the impositions upon ignorant people were almost incredible. It is not uncommon to hear as a good joke that even the nominal £1, which was considered sufficient to satisfy the law, was not paid to the owner by the touting agent, except as a kind of formality in return for which, and the sovereign, the owner would receive a free drink from the enterprising tout, who then went off to try and dispose of his option.

Stories of this kind, doubtless exaggerated, were put about everywhere and, of course, even the serious buyers, who were well able to pay down in cash the price they offered, were subjected to suspicions which were very humiliating and annoying, but quite understandable.

It was in the early days of this movement, and before the final dissolution of the Robinson-Beit syndicate, that the former, adhering to his conviction that the best gold lay to the west, ascertained that a certain well-known farm on the line of the reef could be purchased if negotiations were properly handled. The owner was an old Boer who, as is often the case, was very much influenced by his wife. Robinson himself was thoroughly familiar with the Boer people and their ways, and spoke their language like one of themselves. It was characteristic of him, too, that he thought no one could handle the negotiations as well as himself, and in that, as events proved, he was amply justified. Knowing his people he did not stipulate for personal negotiations, but for the power to take a final decision on the spot, and for this reason insisted that Beit should accompany him. The sum in question was £30,000 and it was necessary to decide on the spot whether the other conditions were satisfactory and this large sum in cash should be agreed to.

It was a characteristic of the times that these two leading capitalists should be personally negotiating a deal of this kind with the old Boer owner and his wife in the miserable little house where they lived—for the farm, although immensely valuable for mining, was practically hopeless as a farm, and the owners were still in the condition in which they had been for many years before gold was discovered. Penniless and living in the poorest conditions they had no accommodation for others.

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Robinson, who was experienced, very resolute and physically tough and hardy, was determined to lose no time; and starting in a Cape cart late in the day arrived at his destination after many wanderings, after dark, to find that there was only a single guttering candle to give light for the old couple.

Beit, who hated this idea of forcing his way in at an inconvenient time and of turning up to negotiate or to ask for a bed without any previous arrangement, and to whom the physical discomforts in the matter of travelling, sleeping and feeding, were absolutely abhorrent, was completely overcome by Robinson's resolute indifference to anything but the success of the deal. The fire was out, there was no hot water, and therefore by dexterous management Beit avoided the usual custom of the hospitable Boers, namely, unlimited coffee, their invariable expression of hospitality.

Robinson was hard of hearing, at times much more so than at others; nevertheless he got along famously, especially with the old man; told them funny stories; recalled all sorts of things that would be of interest to them; and finally approached the subject of the purchase of the farm, and in the most convincing way showed the old man the advantage.

It should be understood that like many of his kind the old man had not the remotest notion of what £30,000 meant. At that time many of the owners who sold their properties for smaller sums would have nothing to do with cheques or bank guarantees or bank notes, but insisted upon payment in cash; there was consternation in the banks on several occasions, and the complete obstructing of their day's business when an owner demanded cash for his £20,000, paid over the counter, counted and recounted, mixed up and muddled; sometimes the agent, hoping to tire him out, would produce a big proportion in silver and the confusion resulting in the mind of the man who had probably never counted more than 20s. can be recalled to the limits of boredom. Sufficient to say that the man with whom Beit and Robinson were dealing was just of this type.

Robinson, well aware of the influence of the wife in such a case and of the necessity for pleasing her and securing her approval, did his best, but she did not respond very freely; and eventually, saying it was long past bedtime and she wished to go to sleep, she left them, with a significant look that was not lost upon her husband.

There were no beds, but a couple of skin mats were spread on the mud floor of the little front room, and the visitors had to make the best of things with their overcoats and the cushions from the cart. Apart from the actual discomfort of the night

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Beit suffered as men of very active brains often do. He was nervous, obviously consuming himself by his mental activity; he suffered from indigestion and such complaints, and for years had been compelled to pay close attention to his diet. However, they got through the night and, as Beit admitted, he was just beginning to fall into a sleep of utter exhaustion when Robinson, who with magnificent indifference to his surroundings had slept soundly throughout, got up at dawn and went outside to look for the owner.

He was rather disappointed not to find him at first, and then observed a distinct cooling off in his manner. A little bit later he met the old lady. Her face was swollen with weeping and she steadily wiped her eyes with her apron while she gave a flabby hand in greeting. He tried hard to find out the cause of grief but could get no explanation and his heart sank into his boots. He and Beit had a talk and Robinson considered the omens very unsatisfactory, and couldn't make out what had happened during the night to cause such a change in attitude.

They rummaged out of their cart something to eat and were able to satisfy their hosts with the assurance that they had had breakfast. An hour or so later Robinson conveyed the news that the old man wished them to come into the house and have a further talk as there were some things that his wife wanted to know. Then came what was for Beit a most horrible ordeal. Robinson, in a lowered voice, hurriedly explained that the most tactful way of approaching the Boer woman was to accept with gratitude the coffee that she would be sure to offer. Any refusal was looked upon as an offence or an implication that the coffee was not good. "As a matter of fact," said Robinson, "it is the most awful muck you have ever tasted; weak and full of grounds; regular hog-wash; no milk, and very seldom any sugar." At each detail of this description Beit gave an extra shudder. Barring a small after-dinner cup of the very best he never took coffee; it gave him acute indigestion, and such stuff as was described by Robinson would surely make him violently ill.

Beit was still vigorously refusing to touch the stuff when the old lady herself came in and brought two very large cups of moderately hot and frightfully weak coffee; put one down before each of them and turned and was walking out, when Robinson got up and gushingly thanked her, saying it was the only thing he had wanted to save his life. He had heard that she made such good coffee and had wanted to ask for some. For the first time she showed a little human feeling; she stopped and gave Robinson a watery smile before again disappearing into the kitchen.

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They were alone and Beit put his closed fist on the table: "I don't care what you say; I will not touch it, I shall be ill."

Robinson argued in angry but familiar terms, and hissed back: "Do not be a damn fool and wreck the whole thing. I tell you, you have got to do it."

But Beit was stonily resigned. He leaned back in his chair and said: "You can say what you like, I do not care if we lose the damn farm, I will not touch it, I am not going to kill myself."

These exchanges continued in severest terms until Robinson, having swallowed his large cupful in a couple of gulps, realized that the old lady would be coming back for the cups, so at last he said: "Give it to me, I will drink it"; and taking Beit's cup he swallowed the entire lot without a pause or a grimace. He had hardly replaced the empty cup before Beit when the old lady returned. Robinson jumped up at once and said it was the most splendid coffee that he had ever had; that although Beit was very delicate, very seriously ill in fact, and was not allowed to touch coffee, he could not resist the smell of this coffee and had finished the lot; and would she be so generous as to let them have another cup. By that time the old lady was wreathed in smiles, and without pause she took the cups and returned with them brimming full. Even as she put them down Beit groaned and lay back in his chair, he really looked and felt physically ill, and this was the last straw. Again the same performance was gone through. At the last moment Robinson made a grab and finished Beit's second cup for him; when the old lady returned the next time he explained that his friend was not feeling very well, no doubt because he was forbidden to take any coffee but could not resist the two cups which she had given; therefore she must not take it amiss that he, who was not an Afrikaner like himself, should not still feel thirsty for her beautiful coffee; but would she be good enough to let *him* have another cup if there was one in the house. She did that and Robinson detained her to talk about things for a little bit, and whilst she was there he actually swallowed the fifth large cup of this horrible mixture.

By that time Beit was reduced to pulp with a kind of stupefied admiration for Robinson's physical capacity and diplomatic skill. The old lady was completely won over, but manifested this by an exhibition which filled Beit with embarrassment and anxiety. Tears began to flow in streams. She mopped her face on her apron, bent her head on her hands and sobbed unrestrainedly. Beit thought that all was over; she had changed her mind and they would lose the

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property. Robinson himself, whilst looking rather anxious, was spurred to further efforts. He patted her on the shoulder, talked of old associations with her beloved farm and then resolutely impressed upon her the enormous advantages of the sale. But she shook her head, still crying, and murmured: "It is not that; it is not that!"

Both Beit and Robinson knew the incalculable ways of these people and were well aware of the sudden changes either through emotion or stupidity or a sudden inspiration that some old friend, probably one of the horde of option-holders, would be a better adviser; and, to use the modern expression, both got 'cold feet' very badly.

While the old lady was sobbing audibly Beit whispered to Robinson, 'Mineral Rights!' Robinson cautiously nodded back. There was a further spell of silence, and then the old woman asked between her sobs if the sale of the farm meant the sale of everything. This had been put in the clearest terms the night before and the old man understood it quite well, but evidently his wife had spent the night thinking it over from her own angle, and when Robinson replied firmly that the sale of the farm meant the sale of everything without any reservation, she went off into a paroxysm of grief.

Although they had agreed to the sale the night before there was nothing in writing and it was then recognized that if they changed their minds before this was done nothing could compel them, there being no independent witnesses; also if the wife set her face against it nothing would induce the husband to consent; indeed the old man's opinion was quite clear; he approved of the sale but he was going to take no part in it at all unless his wife agreed; therefore, he left the room and strolled about outside refusing to participate in any way. It looked like a complete deadlock.

Robinson paced about the room and, taking up Beit's comment, replied plainly: "You are quite right, it is mineral rights; she is trying to exclude them; someone's got at them." He did not lose his temper; he was infinitely patient and persistent. At last he forced the pace a bit by asking her why she regretted this change. She burst into tears again and to their utter perplexity she said: "Oh, my geranium!" He was so surprised that he had to press for an explanation, and explained to Beit what was slowly pumped out of her. In the window of the little front room there stood a small tin in which there was planted a miserable little geranium bearing one pale-pinkish flower, and at last he realized that this was what was referred to. The old lady explained slowly that this geranium had been given to her by her little daughter who had

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died a year ago, and this was the most precious memento of her life, and the sale of the farm without reservation meant that the buyers would be able to take this geranium because they made no reservation.

Beit's eyes brightened instantly and he made a small move, but a signal from Robinson silenced him and there followed a most amazing exhibition of understanding of those with whom he had to deal. Instead of consenting at once he expressed the greatest surprise and startled disappointment at the demand that the geranium should be reserved. He explained volubly that the moment they had arrived he had thought that this was one of the most wonderful geraniums that he had ever seen and that he had determined to secure it for his own wife who had one of the most wonderful collections of geraniums in the world.

He saw the tactical value of attaching immense importance to this little plant and the value of the concession which they would make to secure the immediate ratification of the sale. Robinson played his absurd part uncompromisingly until the old lady was quite broken down; then, having explained to Beit the whole purpose of this play-acting business, and Beit having made the most earnest appeal to him to carry it no further as it was absolute cruelty to cause the old lady this grief about an unnecessary trifle, he turned to her and suddenly melted and said: "My friend here, who is a very wealthy man and lives in England, has been trying to persuade me to give this up. He has a wife and large family all devoted to the collection of the most wonderful flowers, but in spite of that he says he feels that you have really the first claim as it has been yours all the time. He has been trying to persuade me to give it up and I do not like to quarrel with him. I do not know what to do; I wish to talk it over with him still further."

Her sobs stopped and she began to talk without tears. After a little pretended discussion with Beit Robinson finally assured her that if there was no more trouble about anything else and she was prepared to sign the agreement at once and conclude the transaction he would give way to Beit and return to her the little geranium although his own wife would never forgive him the loss of such a wonderful treasure.

The old lady was filled with gratitude and called promptly to her husband to say that it was all right. Robinson and Beit handed over the little tin and the transaction was completed—£30,000 for the farm; which conveyed no meaning to them. All that they valued was the geranium!

Robinson's foresight and skill in obtaining complete control

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over a very large area, and his characteristic of masterful personal direction, ensured him great wealth and power which he exercised as the autocrat covering a great area in the western goldfields, which was apparently to give him the personal control of the greatest goldfield in the world. Although the co-operation of Wernher, Beit & Co. was no longer desired because he wanted monopolistic control, he did not quarrel with that firm, and it suited them better to focus their activities in the central and eastern Rand. They were not unwilling even to give Robinson that very strong financial support which he needed for success; and when the Randfontein Estates was formed and floated with a capital of two millions sterling, and the shares were introduced on the market at a premium of £2 per share, it meant an enormous fortune of several millions for Robinson.

The flotation of big enterprises was commonly the occasion of a good deal of celebration, and this was one of the biggest transactions, but no celebration marked it. I happened to be a personal witness of all that did occur. I was then occupying a subordinate position in Wernher, Beit & Company's firm—then known as H. Eckstein. I had crossed the street to find Mr. H. Eckstein, who was attending an appointment in the office, and as I was coming back someone shouted to me from Mrs. Bett's bar just opposite the Corner House. There were half a dozen men there already—J. B. Robinson and his very unadvertising officer, Maurice Marcus, and a few of his recognized brokers. One of them called out that Eckstein must join them as they were just drinking luck to the Randfontein. Robinson being rather deaf, had not heard the suggestion, but this confidential broker made a loud call and added that they could not possibly leave out H. Eckstein after all he had done for them.

I had been called in with my chief, but I was of no account other than for getting him to join the party; and as he entered Robinson got the drift of this and joined in warmly: "Oh yes, come in; we are having champagne on this, you must join us."

There were exactly six people then and two bottles of champagne were thought to be enough; but, warmed up with the success of this immense triumph, one of the brokers called to Mrs. Betts to open another bottle. Robinson turned round in a flash and said to her: "No, no, we do not require another bottle." "But," she answered, "it is all poured out." However, he turned hastily to his partner, Marcus, saying: "Here, Marcus, you do not require any," and he took the glass away and handed it to H. Eckstein, who was completely unconscious

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of the economy. The self-effacing Marcus smiled quietly, accustomed to his senior partner's ways, and joined in the wishes of good fortune whilst Robinson shared the champagne himself.

There were many similar instances, and the contrast was unforgettable between this kind of thing and the constant reminder of Beit, especially to his juniors, in whom he was interested: "Remember, you cannot expect to make money unless others also make it with you. To do anything big you must also be careful that others will prosper with you." ×

There was never anything small about Beit, and by example and precept he gave the best of schooling to his business associates. This contrast in the characters of leading men, of which some small examples have been given, and the conflicts of character and aims and the personal conflicts which developed among them, had their influences on public affairs and were responsible for much more than is generally known. The implacable hostility of Robinson against Rhodes began some time in the early days of Kimberley; no one knows how, except that, with a man of Robinson's disposition, it was impossible to agree. Doubtless, although he had lost his fortune, or several fortunes, and was of no great account in the big amalgamations, he was felt to be antagonistic to and resentful of the leadership of others. Rhodes, on his part, had no petty animosity or vindictiveness. Doubtless he estimated Robinson as a person of such temperament and character that he could not work harmoniously and be helpful, and therefore, as ever through life he had done, he treated him with complete indifference and without even expressed contempt: simply went his own way without him. Of course nothing could have hurt Robinson more than this, and when the latter made his recovery and huge fortune on the goldfields he thought he saw the means of getting square with Rhodes by acquiring newly discovered mines always with the hope and with the implacable determination to smash De Beers and the great Kimberley unification by wrecking the control of the output and the sale of the diamonds. It was a big scheme and venture but there was no worthy aim; the motive was neither useful to the country nor constructive in its nature.

Despite the fact that it was Beit who had helped Robinson to regain his feet, the consideration that Beit would be just as much injured as Rhodes carried no weight with Robinson. But Beit was not an easy man to pick a quarrel with. His fairness, reasonableness and broadmindedness, and his ready and generous views disarmed even those who were exacting or quarrelsome. Yet the most peace-loving of men may have

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quarrels forced upon them, and Alfred Beit became the subject of one such quarrel of the most groundless and painful kind.

Alfred Beit came to South Africa, a boy just of age. His cousins, Messrs. Wilhelm and Edouard Lippert, were engaged in business in South Africa and brought out their clever young relative as a clerk at £180 a year. He was soon drafted up to Kimberley where the diamond business offered scope for his ability, and this was quickly recognized. After a short spell, however, to complete his engagement, he started as a diamond broker. I remember well his description of the period and the trials, the excitement and anxiety when he could not foresee what the result of this plunge would be; also the occasion, which seemed to put the stamp of success on it all, when he made up his books at the end of the year to find that he had acquired over £1,200 instead of the salary of £180 which he had relinquished.

It was at the end of a long talk recalling most interesting details of his life and work that we reached our camp on trek and got out of the vehicle, and he closed that particular talk with words that set me laughing: "Yes," he said, with a sigh, "it is the first million that takes a lot of making." But his heavy sigh broke off into bubbles of laughter as he realized the humour of it from my point of view.

Beit's progress after the first year was unbelievably rapid, and in a little while he was very well off.

At about that time the elder of the cousins, who still conducted the commercial business, got into trouble and requested Beit's help. This was given readily although the amount required was not small; but really I do not know that Beit ever refused help. He was assured that this help would remove the difficulties; but he was misled. I believe that share speculation was the undisclosed cause of the trouble. Unfortunately it was continued with the usual unsatisfactory result when the attempt was made to recover further losses by further gambling. On this occasion Beit's consent was not asked but use was made of his name in the hope that the liability would be extinguished before it was discovered. Again this was found to be impossible and a clean breast was made of it. Beit was advised, and even urged, by others to institute legal proceedings, but refused to do so as he could not bear to inflict such a humiliation on his relative, and again paid up.

At this time Beit was recognized as a moderately rich man; nevertheless his financial loss was serious, and as the previous warnings and generous help had had no effect the whole experience was a cause of worry and grief. The utmost secrecy had been observed by Beit concerning these two transactions; both

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were regarded as painful, and forgotten. But when the third occasion came the sum involved was heavier and the gambling which caused the losses in no way mitigated. The position was so serious that through others legal notice was taken of it and the misuse of Beit's name was discovered and criminal action instituted; all without a word of consultation with Beit. Then the fat was in the fire; the whole of the proceedings were published, Beit was compelled to give evidence and produce his books, and after an exhaustive trial his cousin was sentenced to several years' hard labour. He was a man personally popular in society; a cultivated gentleman; it was one of those cases where guilt is undeniable, but the circumstances are extraordinarily moving. Beit's part in the business was well known to all, it came out in evidence on all sides, and it was a heart-breaking experience to him. Although I lived on intimate terms with him, I never heard him open his lips on this subject. Many would observe this reticence out of feelings of delicacy or decency, but other circumstances made it infinitely more to Beit's credit, for it appeared that the other brother, who had nothing to do with this transaction, himself turned on Beit with unrelenting hostility.

Edouard Lippert also took a hand in the comparatively early days of the Rand goldfields, not in goldmining, but rather in those enterprises created by and dependent upon the mines. He became interested in concessions and an intimate and political associate of those known as the Hollander Group or the German Group; all unpopular with the mining interests and population; all disliked because of their monopolistic and concessionaire business, getting rights from the Government through which they exploited the public, and in respect of which they had done no constructive work and were giving no value. Apart from this, these people were recognized media or agents for the Transvaal Government in that struggle with the British Government which preceded the war. Such further explanation as may be necessary will be given when dealing with subsequent events. The principal purpose will be served if it is made clear that certain strong personal antagonisms and conflicts in character, dating from the early Kimberley days, had their influence upon later developments, especially in the Transvaal and Rhodesia.

Robinson's unending conflict with, and enmity to, Rhodes grew to include in its purpose Alfred Beit, who had helped him and never in deed or word provoked him. The appalling experience which Beit suffered from his own elder cousin was resented as a sort of vendetta instead of being recognized with sorrow and gratitude, and Lippert, extending

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this hostility to all Beit's associates, included with special hatred Cecil Rhodes and his efforts to establish Rhodesia and extend British influence to the north.

But there was more behind this than mere personal antagonism. Whether from youth and throughout his many years of his residence in South Africa, Lippert had retained the patriotism or the political feeling of his native land (Germany) one cannot say. In the earlier years of the goldfields, in the Barberton days, there was no evidence of this, but as the country developed and the Hollanders and then their friends and German associates became prominent, and their associations with the Transvaal Government became intimate, there was no mistake whatever about his methods, and he became the most active and influential representative of the politically disposed German element, and the most influential intermediary between the Transvaal and German Governments. His chief preoccupation from the business point of view was the dynamite monopoly, which was financed and controlled from the head office of Nobel's gigantic organization in Germany. As everyone knows, it was one of the worst of all abuses with which the newer population had to contend, and an endless cause of trouble, very largely on account of the political intrigue which centred round it.

There were all kinds of adverse interests affected by what was called politics. The Government and Party, on whose side Lippert's influence was always to be detected, quite commonly represented any attempts to reform or curtail such monopolies as that of the Netherlands Railway, the dynamite concession, the liquor concession and others, as merely disguised and deeply plotted attempts to assail the independence of the country, and the cry that 'our independence' was at stake was always sure to rally strongest support in the Volksraad.

Lippert was socially a delightful companion, with a keen sense of humour and a fund of anecdote, and despite the fact that the newer population knew that his hand was against them in all their business relations, he was socially a favourite of nearly everyone. But in his enterprises and schemes he was very clever, very resourceful, and very persistent; in fact he was hard to beat.

A little incident should throw some light on the man and his methods and on the character of some of those with whom he had to deal as legislators. A party of us filled a railway compartment going from Pretoria to Johannesburg. I was on very good terms with Lippert, practically his only colleague on the board of a joint venture—the Pretoria Cement Company—and saw him at least once a week. I was there as

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representing Wernher, Beit's Transvaal business, then known under the name of H. Eckstein. My firm owned a shade over half of the shares of the Cement Company and Lippert owned the rest. I had been appointed the representative, I imagine, chiefly because I had known Lippert from the early days of Barberton and got along with him very well; and I was the only member of the firm who was even on speaking terms with him or was able to discuss this important but very bothersome business of the cement factory without risk of acute personal difference. I knew all about the vendetta, its origin and frequent manifestation, but made no reference to matters outside the business entrusted to me. Hence we remained throughout on pleasant social terms. Neither of us intended to deceive, or was deceived, by this attitude.

I was completely reassured of this just after the Reform trial, when the four most prominent men—Lionel Phillips, Frank Rhodes, George Farrar and John Hayes Hammond—were sentenced to death, and the rest of us to imprisonment and heavy fines with other conditional penalties. But all this has been told many times, and by me in *The Transvaal from Within*.

It must have been a year later that Lippert spoke to me on this subject. He had a way of discussing with the most unusual frankness subjects which others would regard as quite unsuited for discussion with, or in the presence of, the persons most affected. In the most dispassionate manner, helped by a pleasant, friendly smile, he alluded to the Raid and to the Reform movement and trials, just as though he were discussing the history of some other place and people, speculatively and intellectually interested, but in no way concerned:

“I have often wondered how it would all have worked out, with certain little changes. Of course, I think you were wrong in some things which might have given everything a different turn. And then, you know, Old Kruger, who's very old, who's very obstinate and very limited in his education and experience, made mistakes; but we can all see that. I have talked it over with him too, often. (In my own mind I was murmuring: ‘I should jolly well think you have; and to our cost too;’ but I said nothing.) Yes, only the other day I was chatting to him about it. He has such a reputation for bad temper or rudeness that you would be quite surprised to see how calmly he could discuss these things and how interested he was, after he knew that you were not against him, in trying to find out something for your use. It is a funny thing, you know, that we should be discussing this, you and I, because that day, only last week, your name cropped up. We had been

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talking about the sentence of death and his views about the unchristian act of hanging men."

Lippert chuckled and interjected: "Of course, I believe he meant white men, for they never worry about the coloured; the survival of the old Boer idea that you must never waste a white life.

"He discussed the moral effect produced by the trial and believed that the warning would suffice to stop all this trouble-making. I did not agree with him, and told him so. I said: 'No, President, you made a mistake. You have punished severely and fined four prominent men £25,000 each, after sentencing them to death. Did not it strike you that these are all men who were born overseas? And that their eventual home and their heart's home is overseas?' ('Just as mine is!' he added in a laughing aside.) 'They would not try it on again.' Then I reminded him that all my sympathy was with him and he knew it, but that I still thought he had made a mistake; and then he asked in what way he had done so. I said to him: 'You ought to have treated these people with contempt as speculators and schemers and just turned them away. But you also made another mistake—you ought to have hanged FitzPatrick!'"

I kept my countenance and held my tongue for a few minutes. The point of his story was too good and too unexpected, but it was supremely characteristic of him and his innocent-seeming audacity, and Lippert went on brightly with, I thought, a slight look of mischievous enjoyment: "I am quite sure I was right; you will see if I am not. I told him that everyone knew it was not the money; that you were not a millionaire; it is not what they call world politics because you have never been prominent in that sphere, but you were South African born and you really felt the conditions; I honour you for it though I do not participate in the feeling at all. There are many others, not merely Reform prisoners, who joined in this that you call the Reform movement because, as South Africans born, they could not tolerate the humiliation and injustice. Mind you, I do not say that you are right, but I can understand the thing; and so I told the old President that the individuals would not matter, but that he must look out for the class or the strain which you represented, the people who really felt it personally.

"Hence," he finished in his most detached tone, "I said to him, 'you should have hanged FitzPatrick and let the others go! He means trouble.'"

This, I should add, was two years before the Transvaal war or the publication, on the outbreak of the war, of *The Transvaal from Within*.

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But to resume. A party of us were in the train when Lippert himself told us the story of one incident which had been denounced everywhere as a horrible scandal. I recognized afterwards that it was no accident, that it gave an opportunity for the cynical enjoyment of the effect of the story upon the others.

He began by saying some few serious words in defence of the Dutch people and the monstrous injustice of attributing all sorts of things to the influence of bribes. "In my experience," he said, "and I have a good deal of intimate knowledge of them, you cannot buy these men, the members of the Volksraad, as is so commonly suggested."

Regarding this as one of his rather impudent bluffs, I laughed and said: "I suppose you mean you only hire them; you have got to pay them again for the next job."

But he answered me with good control and very gravely and said: "No, I do not mean that; I mean they are honestly convinced and they are not influenced by bribes and material benefits; they are quite sincere."

The silence which followed was the respect paid to the seriousness of his tone, but not a man agreed with it, and there was a special reason, in that only a few days before an attack had been made upon the dynamite monopoly, and a perfectly illiterate and rather unbalanced member, Stoffeltosen, had been guilty of a tremendous outburst in support of that monopoly. He said excitedly that this attack on it was only another determined attempt to undermine the independence of our country; and he went on to tell how on the previous night a vision or communication had reached him. The Lord had appeared and warned him in his sleep and addressed him solemnly from the other end of the room, saying: "Stoffeltosen, Stoffeltosen! if you sacrifice the dynamite monopoly your independence is gone!" It was said that this ranting and seemingly sincere revelation of a message from the Almighty carried the day. At any rate, those who made the attempted attack on the dynamite monopoly fled before the storm, and the monopolists were secure again. The incident seems too ridiculous and unbelievable, but it did actually occur, and the papers had been full of this monstrous attempt to bolster up what was regarded as nothing but a crime.

Thus—and obviously Lippert knew it quite well—this scandal had at once occurred to all his listeners, and it was quite like him to make it the subject of conversation simply because it was a notorious scandal and would have the appearance of being a very awkward subject. "Yes," he said, "now take for instance this row about Stoffeltosen. He is a

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very ignorant and bad-tempered old fellow, but there is no doubt about his sincerity, and he believed every word that he said, I have not a doubt of that; and yet people say, of course, that he was bribed; and they mean that it was I who bribed him. That is not true, and I am the one who can speak with authority on that subject, and I also know that Stoffeltosen's own story is the true one."

Then Lippert paused and looked steadily at anyone whose eye he could catch, and he seemed to be challenging me, in the seat opposite him. I said: "Now, let us understand this. Do you mean what you say—that you know the Lord did appear to him in his dream and use the quoted words?"

There was a breathless silence for Lippert's reply. "I do not pretend," he said with deliberation, "to be an authority on these matters of the Spirit; they are out of my line, so I cannot state positively that it was the Lord's voice that spoke to Stoffeltosen; you see, I have never heard it myself; but I do know that a voice spoke to him in the night and gave the message that he repeated to the Volksraad."

Well, again we were reduced to silence. It did not appear possible, without unpardonable rudeness, to say exactly what one thought; and Lippert, apparently satisfied that he had told the main story and achieved his purpose of defending Stoffeltosen and the integrity of the Volksraad members, added: "You may wonder how I had such opportunities of hearing these things. I heard the message myself. I always stay at the Transvaal Hotel, not because it is very comfortable, but because it is largely frequented by those whom I wish to meet, and there were a number of Volksraad members also staying there, and Stoffeltosen occupied the little room next to mine. They are small rooms, divided by ceiling boards and paper, but they are quite useful and they are very cheap, and of course they are not soundproof, so that I fortunately have the opportunity of clearing Stoffeltosen's character by testifying that I myself heard the message."

His position was again unassailable by those who did not want to have unpleasantness, and in the silence that followed he again added: "It was a very surprising experience, but there is one thing I cannot understand: I never knew that the Lord Almighty spoke Low Dutch with a German accent."

Needless to say, the end of Lippert's story relieved the tension, and I believe everybody loved the unblushing audacity, the cynical frankness and the sense of humour that inspired it.

The conflict between Lippert and our firm in aims and methods was well illustrated by the experience of the cement company already mentioned. Our firm took the lead

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throughout in uncompromising opposition to concessions and monopolies. At the same time, it acquired an interest in three concessions, which excited a good deal of criticism. These were the Cement Concession, the Pretoria Water Works and the Pretoria Lighting Grant. In regard to the last two the firm was quite under compulsion. President Kruger sent for one of its members, a South African who could speak Dutch well, and at once reproached him indignantly on the grounds that our firm had become enormously wealthy through the mines and was content to reap the profits and do nothing for the country. The immediate retort was a list of things voluntarily done; but more than that was the building up of the mining industry which had raised the country from insolvency to affluence. Then the old President grumpily answered: "All that is nothing: you do nothing for Pretoria." On being asked what he had in mind that could be done he said: "The capital of the country is being neglected; we have no electric light and no proper water supply, no mains and no delivery for the houses." To this our representative replied smilingly: "But, President, you yourself have granted concessions for these things, and to some of your relations too. How is it possible for the work to be done when you have given a monopoly?" "I will make them sell the concessions to you," was the reply; and, as a matter of fact, he did.

For years we carried on both concerns, but it was almost inevitable that conflict should arise between the townspeople or authorities and a commercial company. The water-works, after seven years of work, reached the stage of paying one dividend of 7 per cent; the lighting company had made no profits. After long negotiations both companies were taken over by the municipal authorities at far less than actual cost.

This is the story which had provided sufficient grounds for a good many ignorant people to base upon it their accusations of duplicity and greed.

The story of the Cement Concession was different. The development of the goldfields demanded large supplies of cement; no cement was made in South Africa. By the time railage and carriage had been paid from the coast ports the imported cement cost an incredible price—£12 and £15 per cask was not uncommon. The opening of the Delagoa Bay railway did afford some relief but the recognized price was not less than £10 per cask of 400 lb.

Lippert was quick to see that the mines and railways would require enormous quantities and that the concession would be a highly profitable thing. The concession was duly granted, but the period was limited in the first instance to three years

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with a condition that renewal would be granted on application if the factory had been started in the meantime. An import duty of £1 a cask barred the way to all other rivals. Considering that the railway freightage alone in those days afforded to the local product as against the imported rival a protection of ten to fifteen times as much as the original cost, the conditions were truly outrageous.

Our firm being so largely interested in, and responsible for, the mines, acquired the half-interest and arranged for the building of the first factory; but when three years were up the ever-slumbering conflict of aims and methods produced a real explosion. Lippert, not unnaturally from his point of view, claimed the right of renewing the concession; we, on the other hand, considered that it was an outrage and that the local industry had ample preference owing to the cost of transport. So the brief life of the concession came to an end and the enterprise was started and built up as an industrial venture without any protection. The shares were never dealt in; in fact, after the cancellation of the concession rights, they were not marketable, and in the end, Lippert, having lost interest, or needing capital for other activities, was bought out, and years of hard work, disappointment, experiments and changes of arrangements, passed before the present highly prosperous concern was brought to a profit-earning condition.

But this solution of the Cement Concession, although it caused a violent outburst of hostility towards my seniors, and notwithstanding that I was the representative who had to do the work, did not disturb my relations with Lippert and, owing no doubt to this, I had numberless opportunities of knowing pretty intimately what was going on and the views held and the things done by his staff or agents or entourage, mostly men of my own age and experience, but sharply divided from me on many points because of their loyalty to Lippert, of whom they were really fond. Certainly no employer could have treated his staff better than he did.

CHAPTER IV

A STRANGE ADVENTURE

It was purely accidental and personal experience that gave me the first hint of Lippert's activities on behalf of President Kruger and the German Kaiser or German Government: for no one knew precisely whether Lippert was moving on behalf or in the interests of the Transvaal Government, or was engaged in pursuing a policy the character of which was revealed by the Transvaal war of '99; namely, that Germany was making a catspaw of the Transvaal; leading her on and backing her in her anti-British policy; using her for a purely selfish purpose with the utmost indifference to her own interests and faith. No doubt both motives inspired him, for it is beyond doubt that in the political sense he was consistently pro-Boer and anti-British; also he was a German out and out, filled with the convictions and the ambitions to which the Kaiser often gave provocative and indiscreet expression.

It happened that among my keenest cricketing companions in younger days were two who had acquired their skill at English public schools or universities, one an Englishman, one an Irishman: Renny-Tailyour and Boyle, good comrades and capital fellows. As I had done a good deal of hunting in earlier days it became a favourite topic, and when they determined to make an excursion into the north to pick up some mining rights, other topics of common interest arose and we talked quite freely; they even consulted me about their outfits, ammunition, etc., until I gradually got to know that there was something more than a prospecting adventure behind this and that they were looking out for valuable mineral concessions up north. Hence, when in 1891 Alfred Beit telegraphed to me in Barberton to come along and take charge of his expedition, I knew a little of their plans, also that they were in some way associated with Lippert, and that their activities were actually or potentially in conflict with those of Rhodes in acquiring his concession from Lo Bengula; and I quickly realized that these necessarily would be injurious to Beit, who was Rhodes's greatest comrade in the creation of Rhodesia, as he had been in the consolidation of De Beers mines.

Everyone has had the experience of some trifling event,

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almost unheeded at the time, which, in the sequel, has assumed great importance, and is found to have been a vital link in a chain of developments which no one could foresee at the time. I was so definitely conscious of what one would call 'something wrong' that during my long talks with Beit I made allusion to Lippert's unceasing hostility (not his original excuses) and ascertained that something of it was known to Beit and to Rhodes, that it had been discussed, and that a good deal of anxiety was felt.

At that particular time we were travelling up to Tati with the intention of going through to Bulawayo and seeing Lo Bengula himself. A representative had gone ahead and was paving the way—a rather necessary precaution, for to get into Bulawayo required certain facilities, but getting out of it again was a problem indeed, and no one knew what would happen.

An old and mutual friend among the few prospectors in this area gave me the unexpected news that Lippert's representatives, my two friends, were already there and endeavouring to convince Lo Bengula of the terrible results that would follow if he dealt with Rhodes instead of Lippert. The Matabele were in a restless condition, Lo Bengula was getting old and his authority was quite commonly defied. No one knew which course would appeal to him as the safest for himself and even the oldest traders in these parts were uneasy; so we were held up at Tati by a warning not to continue until advised that we could get there and get back again.

I do not believe that Beit himself could have done anything. He did not speak the language or know the people and their ways, but it was part of his character to deal openly and at all costs to get at headquarters so that there would be no misunderstandings. He was also completely indifferent to what would be called the risks of the venture; and for a man of his mental activity the delay was extremely trying.

We came on the Shashi River, which was nothing but a bed of dry sand very typical of that part of South Africa. When the heavy rains came this bed, which was about 300 yards wide, would be flooded by a stream perhaps 15 feet deep, a dangerous, turbulent, turgid flood which, sweeping along its mud and debris of trees and vegetation, would gradually become a clear attractive stream and last perhaps for several months, until another flood might make it impassable. During the dry periods it was always possible to dig in the sand and obtain good drinking water both for human beings and animals. On this occasion we found two or three such scooped-out holes in the river bed, but what astonished us very much was that although they contained water they also contained fish—

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coarse meat fish, barbel—in such quantities that it was no longer possible to take any water; there were more fish than water in them! One of our party was Jack Grimmer, Rhodes's private secretary. He and I thought to pass the time by netting these fish—only the smallest were edible and then not attractive—and making an estimate of the number or weights. To achieve this we made drag nets out of grain bags and recovered some fish that must have been about 5 feet in length. We threw them all back again and then for the first time realized what we looked like—splashes of black mud from head to sole. We had to find another bed and get water to wash ourselves clean of the mud, and then strolled back across the sands to our camp on the high bank, with, of course, nothing but towels to cover us, as we had left our clothing at the wagons. As we toiled up the bank someone remarked that it was a good thing that there was not a woman within 500 miles or we should have made a nice spectacle viewed from the gallery of the bank. Then suddenly, before we had completed our scanty dressing, someone called out that there was a vehicle coming, and a Cape cart, drawn by four animals, drove up.

Well as we knew each other, I had to walk right up to the cart before there was recognition. Neither party knew that the other was anywhere in the neighbourhood. Our visitors were Mr. and Mrs. Edouard Lippert, and I had to explain to them that they had run into Alfred Beit's camp.

The two cousins had had no personal meeting for years, and I suppose it must have been as awkward an encounter as ever took place. But all rose to the occasion, which was even more trying than one would at first realize, for our visitors had come to the end of their tether in their provisions for travelling and had received warning that they were on no account to go on to Bulawayo. That much was admitted, but we had to assume that they had received the same warning as Beit had done about the risks of not being allowed to enter the country of Lo Bengula, and of the still greater risks of not being allowed out again. For a start they joined us at luncheon, and I, with a vague knowledge of what was behind it all, was almost speechless with admiration at the natural manner in which the three of them rose to the occasion. This enforced association lasted three days and I cannot recall a more cheery or delightful 'picnic.' So far as that phase of the struggle was concerned it was a draw; both Beit and Lippert had to retire with the position unchanged.

I occupied then a position with Beit which was truly characteristic of his nature and methods, but was not generally

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known. Nominally responsible for the organization of the entire trip, both his and Lord Randolph Churchill's expeditions, I was not supposed to have wider responsibility, but I did work personally and intimately for and with Beit in Barberton and kept in touch during the years between. When I started with his outfit from Pretoria he went ahead by faster transport to meet me at Tati; he then told me that there were many of these caravans or expeditions travelling up towards Salisbury and he feared they were not all experienced enough to make proper provision, so that we would be likely to overtake or meet some who were in difficulties. He left me a considerable sum in cash to help them either with food supplies or transport according to my judgment; always in a diplomatic way excusing himself by saying that it was very little we could do to help Rhodes and we must do our best, as he would have plenty of trouble and was doing the great work for us all, so that in that spirit we ought to help. I knew many of these people and knew that some of them were extremely difficult to handle—really undesirable settlers; but Beit's generosity of judgment and sympathy were such that he would have no distinctions made at all.

Travelling along one day when Beit was again absent for a day or two from the main route—for he was always ready to undertake any of these excursions to see a new prospect or discovery, or some other attraction of the country, completely indifferent to the relative hardships of food and accommodation, or risks of sickness—I came across a small encampment—a couple of half-tented ox-wagons and evidence that it was not a mere outspan but that the trekkers had been camped or delayed there for several days. The wretched condition of their animals suggested the explanation. They were unable to go on. I saw a man sitting on a camp stool in the shade of the tent and, going round to question him in the spirit in which Beit had asked me to look them all up, to my great surprise I recognized an old friend, Colonel Ferreira, C.M.G., the original owner, or at any rate name-parent, of what was subsequently the great Ferreira Mine on the Rand. I had known him well as one of the pioneers on the Rand. He was well known as a fighting man in the Kaffir wars in the Cape, and very highly spoken of for his cool judgment, his assurance and his calm courage. My latest news of him was that he had become a political associate or instrument of the Transvaal Government; but I knew no details.

When Ferreira apologized for not giving me a decent cup of coffee or anything else, I realized that he was in a bit of a fix and outspanned for the purpose of preparing a decent

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meal for him. It was not difficult to draw him on to giving details; they were practically out of food; had no coffee, or even milk; no tinned meats; nothing that you would call stores except a little flour, but were existing mainly upon what they could shoot along the road, from which all the large game had been driven by the traffic and the shooting.

We had had quite a long talk when, with a shotgun on his shoulder, there suddenly appeared another man whom I had known very well as a broker on the exchange. He had prospered greatly but had been ruined in the same collapse in which my own small fortune and high hopes had gone down when those with whom I was associated in mining struck a bad streak, with the result that what was then a fortune for me—about £70,000—was also wiped out and I was left penniless.

There was a third member of their party who appeared later, and a more incongruous collection I have never met. I could not make out what in the world had brought the first two together, but was still more puzzled by the presence of the third. He was an Englishman, quite fresh from home; had been in the Army in one of the Guards regiments, was connected with well-known people, yet looked like a tramp adventurer in the wilds of Rhodesia. When he made his appearance he was untidy, unshaven and still dressed in pyjamas, which he seemed to have worn for a week or so. After his arrival both the others seemed depressed by something which killed all tendency to conversation, but I manoeuvred a separation and in the end each told his own story.

Old Ferreira's was a narrative of the trek and a vague talk of picking up something good, but I knew at once that there was hardly a word of truth in the story he told except this: he said tempestuously: "I found him stuck and gave him a lift, not realizing that we should require everything for ourselves, but he is a useless rotter." The hulking, sleeping one who was picked up out of charity expressed no gratitude but bitter criticism of the miserable style in which the other two were travelling. The younger and brighter man, whom I had known as a broker, was the only one to speak freely.

I could see his desire to talk and so I wandered off with him. As soon as we were out of earshot he surprised me with the question: "Do you know what we are up to here?" I did not catch the drift of his remark, and said so, and he repeated: "This expedition of old Ferreira's, do you know what it is?" I said "No. I am conscious of the presence of a foreign element here." He continued, "That chap; he is no good. We just picked him up. We would have done better to leave

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him where he was; he is not a bit grateful although we have given him stuff we wanted ourselves. He wants you to give him a hand to get on now." I said: "Well, I will have a talk with him." I then explained that I was running Beit's expedition and that Beit had definitely instructed me to help those who needed and deserved it, and I wanted to know in what way I could be of assistance to their little party. His reply was tinged with mystery. "I do not know how you will take it, now that you are acting for Beit, but in a way I suppose you will be glad to know that this is a political expedition. Ferreira is an emissary of Paul Kruger. You know his long association with, and intimate knowledge of, the natives and their language; well, he is going up to get one of these concessions which will bust Rhodes's game of British expansion to the north. I know all about it. You see, the old chap is a very shrewd old fellow, but he is almost illiterate; he cannot read handwriting and he cannot write a proper letter. We ran across each other, both wanting to come up, and I had known him well in Johannesburg. His expenses were being paid and the outfit provided, and he offered me a free trip—you know I have lost nearly everything—to take me to Salisbury."

All this was very interesting indeed, and I listened and asked questions. Then when we had fixed up about the assistance to be given he was more than ever grateful and came back to me as a sort of send-off and told me confidentially that in all this correspondence he had kept copies of the letters he had written for Ferreira and most of those he had received; the majority of them were from Edouard Lippert who was working through Renny-Tailyour and Boyle on the one side and through Ferreira on another, so to say, to take Rhodes in flank and have him between two fires. He finished up with an offer. He said I had been so kind to them in saving them in their extremity (he would not listen to my protests that all this was due to Beit and not to me) that he would like to make some small return. So he offered me the entire dossier in his possession saying that as a friend of Beit and of Rhodes I would know the value of it and it might help them to defeat Lippert.

I did not know then and I do not know now what I ought to have done. I have told the story many times and have never heard a confident opinion as to the right course. But I certainly had the instant feeling, and have still got it, that one would hate to receive valuable information through a breach of confidence on the part of another. I had the feeling that it was something in the nature of receiving, even of buying, stolen goods. Therefore, with as much tact as I could command I thanked my well-intentioned friend for his offer, but declined

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the papers, explaining to him that Beit's motive in helping them was not to get anything in return, not to derive any benefit himself, but just to help the good cause in which he had evidently as much faith as we had. The refusal did not offend him, but it seemed to puzzle him and leave him cold.

When the trip was over and I was duly installed on the staff of Wernher, Beit's business in Johannesburg, I came back with a better knowledge of Rhodesia than most people. I travelled through it all with the earliest and most capable of engineers and financiers; had met up there, Rhodes, Jameson, Beit and others, and therefore was relatively an authority; anyhow sufficiently so to call for the republication of writings under the title of *Through Mashonaland with Pick and Pen*. I was also in constant demand for work upon the *Star*.

Mr. F. J. Dormer, one of the very ablest journalists we have ever had, was the editor of the *Star*, and a strong backer of Rhodes. I had time to spare and any amount of energy and it was no tax on me to write contributions at short notice; hence I was frequently in the editorial office and freely made use of. One day, Dormer came in hurriedly and said he was dreadfully rushed and worried, and he had to have an article ready in half an hour, and he had lawyers and others to meet; would I give him a hand and do it for him? He gave me the subject and I delivered the article in good time, just before luncheon. He returned to the office from his lawyer's consultation just as I handed in the articles written at his own desk, and, seeing that he looked very worried, I expressed the hope that nothing serious was bothering him; to which he replied that everything was bothering him. He had just come from a horrible consultation in which he had got a most unwelcome opinion. He reminded me of an article that had appeared a little time before in which, without any ambiguity, the *Star* had stated that Lippert had been endeavouring to get this concession to upset Rhodes and his clan, and that he was working for and under the instructions of Germany, and that Germany's political aim was to defeat Rhodes and thus cut off the British from the north. It had been a strong article, and Lippert had taken action for libel and demanded £10,000. The consultation that day had brought out the opinion of the leading lawyer of South Africa, J. W. Leonard, to the effect that the only course open in law was to compromise and pay up, for if it went before the courts Lippert would undoubtedly win his case and get full damages. Dormer, in despair, rang the changes on the £10,000. The *Star* had not got it; he could not raise it; the discredit would be awful, and the triumph of Lippert would damage Rhodes and his friends badly, and

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damage the British Government and help Germany and Kruger.

While I listened to his outburst there came back to me that little scene in the veld and the offer of all the documentary evidence. I am not conscious of having begun to laugh, but I must have smiled or given some indication, because Dormer, who was extremely bright and quick, looked steadily at me and then said suddenly: "Fitz, what do you know?"

The absurdly dramatic development had the effect of making me almost hysterical with laughter, and when I protested he said: "You know something; I can see by your face you know something, you have got to tell me." Then he whipped round suddenly and locked the door and we were alone in the room. He began upbraiding me for keeping something to myself which he knew was of value; he reproached me for ingratitude to Rhodes and to Beit, to whom I was supposed to be devoted; and the more angry he became the more uncontrollable was my laughter; till at last I said to him: "Now, listen. I do know something but I will only tell it to you if you behave decently to me." At once he turned to the interpretation that I wanted some recognition of sorts; but that I quickly corrected. I told him what had happened and he then asked, if I had not the documents myself would I give him the gist of them?

To that I replied: "If you will only be a little patient you won't want anything from me. This is the position: I know where the documents are; they are still in the hands of the man who offered them to me and I know where he is. I know also that he is very hard up, and that if you or some friend on whom we can agree will go to him and put it reasonably before him he will be glad to take £100 for these old documents, but if you try any bluffing, as you have done with me, you are feeling too hot about it and it will be a failure; and if you offer him more he may get an exaggerated idea of their value: So give me the name of the man who can do this negotiation, if possible someone I know, and give me your word that you will leave it to him himself to decide whether he is free to get these documents or not; but I most certainly will not profit by a breach of confidence which was induced by an act of kindness for which I deserve no credit at all."

He consented to do this; I had no part whatever in the subsequent proceedings, but two days later there was an authorized announcement in the press that the action had been withdrawn. All the confidential documents had been acquired for, I believe, £100; they had been submitted to Mr. J. W. Leonard and the instant he received them he decided it was "all over bar the shouting." He recommended a meeting with

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Lippert's lawyers, at which meeting he handed them for inspection the original documents; and Leonard's description of that meeting, of the expressions on their faces, of the indescribable consternation and confusion when they found their whole case given away and the so-called libel proved by original documents, conveyed a picture one can hardly realize. The triumph of the *Star* and of Dormer at the last moment was dramatic and complete; but no one knew the little accident by which it had come about, and the power it placed in Rhodes's hands by the revelation of Lippert's scheme and the possession of these important documents. The exposure of Germany's hand was of the greatest value and political importance to Rhodes and to the Empire.

CHAPTER V

RHODES AND THE GOLDFIELDS

THE rumours of gold discovery in the north, which had reached Robinson and induced Beit to support and accompany him, were not long in reaching Rhodes, and, after a personal visit, he started in characteristic fashion to tackle the new problem. On looking back on it all, I can see he had neither the conviction nor the enthusiasm which inspired Beit, Robinson and many others. The gold was all new to him. He understood diamonds thoroughly, but gold seems to have struck him as something which would distract him, divide his energies and disturb his comprehensive ideas of South African development. Nevertheless he did take an early and a very important part.

At that time in Kimberley there was a well-known and very capable young man, a contemporary and fellow medical practitioner of Dr. Jameson, namely, Dr. Hans Sauer, who happens to be my own brother-in-law and from whom I have learnt a great deal about those early days. Sauer, who is a South African of Dutch descent, had the great advantage of knowing intimately the country Dutch, their language and their habits. After a flying visit to the Witwatersrand he came back with such glowing accounts that Rhodes decided to establish a kind of syndicate of himself, his original partner in the diamond fields, C. D. Rudd, and a leading lawyer friend and adviser, H. S. Caldecott. These three older and more experienced men had the control of the funds and the management. Sauer's duties were to acquire mineral properties. The details of the work form a fascinating story for those who are interested in the origin and development of the fields, but that is not the present writer's purpose. A few words will suffice to give an idea of the conditions:

There were negotiations on the scale of the Robinson-Beit transaction already described, in which the little geranium turned the scale of the purchase of a £30,000 farm. There were others of a similar kind which were not less interesting. For example, Sauer got under option the mining claims which afterwards formed the City and Suburban Company, a great mine in the early days. The price at which he secured the option was £20 to £30 per claim, but when the mine developed,

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and profits were being produced, the market capitalization of these claims was well over £30,000 a piece, and many years later, when complete records were available, it was established that these claims, offered then at £25 a piece, had actually contained £60,000 or £70,000 worth of gold each, and some of them much more. Sauer's estimate of values had been far short of these figures and he was looked upon as an optimist when assessing them as eventually worth one-tenth of their actual gold contents.

Rudd, who was the head of the syndicate, was a strict and economical man of business, and always exercised a curbing influence on Rhodes's enterprises, but an influence which was greatly valued. Sauer took his options to headquarters and was disgusted and enraged when in reply he got a stern lecture from Rudd upon extravagance, and a point-blank refusal to risk the £25.

However, the opportunities and openings in those days were so numerous and so great that practically everyone was successful. For many years the Rand was a continually rising market; that is to say that, allowing for those slumps and checks which are inherent in the nature of mining markets, one must recognize that on the Witwatersrand goldfields, unlike any others, it seemed to be a constant fact that any setback could be regarded as no more than a check, and that like the incoming tide the next wave of prosperity would wipe out the ebb and reach even higher than the previous high tide.

There was a substantial cause for this in the ever-increasing production and expansion of the mining area. Rhodes's little syndicate, despite missing many chances, developed into the Consolidated Goldfields of South Africa, a very big organization, of which Rhodes and Rudd became life governors on the lines of the De Beers creation. Both made very large fortunes, and at that time, at their best, the Goldfields were second only in worth and magnitude to Wernher, Beit's organization.

It was when Rudd's rigid economy depressed and discouraged Sauer that the latter went back to Kimberley to make direct representations to Rhodes. During the course of their meetings they strolled through the mines and, sitting on the edge of one of the crater-like pits, looked into the vast cavity from which the diamonds had been extracted. Rhodes had not been stirred by Sauer's optimism, as was expected, and was somewhat cold in his view of the great new goldfield. When Sauer pressed his own views and forecasts still more warmly Rhodes was sitting lost in thought, his wonderful blue eyes clouded with preoccupation and the lines in his striking face showed that his thoughts were far away. Sauer, reproving

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this lack of interest, said he wondered how a man like Rhodes, who had achieved these wonderful successes, pointing to the vast open workings, had failed to rise to the still greater opportunity offered by the goldfields; and Rhodes answered: "Well, I cannot see there what I can see here." "You mean that the gold is out of sight?" asked Sauer. Rhodes answered slowly, "Not that. I cannot see the same thing." "Well, what do you see here?" said Sauer; and, with a slow sweep of his hand, Rhodes answered the single word: "Power!"

Without doubt Sauer's representations spurred him to take more active interest and to exert an appreciable influence on the development. His brain was of that character that no matter what he might apply it to there was always some visible result either in a new view of the position or in some striking and constructive idea, and I believe his interventions in the development of the Rand, though intermittent and always avoiding the details, produced very great results.

One day long afterwards I happened to be conveying to him some document or message from our firm when he was present in the Goldfields office. The offices were not 100 yards apart. Although he was engaged with members of his staff when I sent in the papers he threw the door open and called to me from the room to come in. On a large table there was spread out a map of the Witwatersrand goldfields, showing all the farms and mineral rights and claim-holdings on a large scale. He said only a few words to me; as a matter of fact he did not need to see me at all, but it became clear that in a way my intrusion was appropriate, because he was talking about the deep levels of the mines and he knew I was the individual in our group to whom was entrusted a great deal of the work, and who knew the facts and conditions as well as anyone.

He continued immediately his conversation with his own people, totally ignoring me. It was not a conversation really; he was cross and critical and giving them what was called a good 'dressing down' for having missed the opportunities that had offered and neglected to use the means placed at their disposal. In fact, he was quite cross, and I felt most awkward at being present when those with whom I normally worked on excellent terms were getting this real scolding from their own chief. But the unpleasantness did not end at that. In what was again his characteristic style he made allusion to me in terms that might have given the impression that I, personally, had done all the work and deserved all the credit of the foresight and sagacity shown by our firm in acquiring nearly all the deep levels close to the output, which were by

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far the most valuable. "In fact," he said, "here you had the same opportunities; you have had millions at your disposal; you have got engineers; you see the returns and you work the mines yourselves, and he, he gets ahead of you while you are looking at it; he buys up all these and they have got a string of twelve now and you have got nothing. You had the same chance and you let him get ahead of you like that. He has got everything; you have got nothing."

He walked up and down the room in a state of excitement, then turned to the table again and said: "Look here!" He took a blue pencil and ran a parallel line south of the outcrop. "We have lost the first chance, thanks to you. They have got that (pointing to the upper levels). Now we will make a line of our own, this reef continues to infinite depths"; and he swept the pencil along several miles of deep level country.

Seeing an opportunity, I made the hurried excuse that I was no longer wanted, and slipped out. The last words I heard were his curt order, "Buy that!"

I do not know the precise area that he indicated, but they started in at once and bought large areas in the neighbourhood marked, and actually did start another line of deep levels.

That was his way. When he was endeavouring to start the fruit industry in the Cape he sent for H. E. V. Pickstone, the very well-known nurseryman and fruit farmer, who may well be regarded as the father of the industry. After asking a few questions, mainly as to the suitability of the great Drakenstein Valley, Rhodes said that he wanted to buy it up to place suitable farms there and establish a great fruit-production industry. "I wanted to know what you thought of it, and that is all right," he said; "now I want you to buy it for me."

Pickstone, conscientious and practical, said: "It is not cheap land, Mr. Rhodes, it is good land."

"I suppose so," said Rhodes.

"Well, how much do you want me to buy?" asked Pickstone.

"Buy it all!" said Rhodes.

Pickstone, staggered by astonishment, answered: "All! that is impossible. Many owners won't sell. Besides," he said, "all the Drakenstein Valley—Good Lord, it would cost a million to buy that!"

Rhodes turned on him and said, "I do not ask your advice; I want you to buy it"; and then he repeated again, "Buy it!" and Pickstone did buy as much as was available for purchase.

I have recalled these two incidents quite out of order of date merely to show what was Rhodes's way. It is impossible

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to say how much he was influenced by Sauer's enthusiastic views or by other information or knowledge that came to him, but it is certain that he returned to the Rand with Sauer for the purpose of acquiring large interests. No one can say what was in his mind, but it certainly appeared as though he was in one sense more disturbed and puzzled by the prospect of the new gold discoveries than he was excited by or interested in the prospective wealth and excess of prosperity and power which it promised to the country, or to himself and those who worked with him. It is dangerous and futile to attempt to define the workings of such a mind and character, but one may venture the suggestion that in the earlier stages in the discovery of the goldfields Rhodes seemed to see the threat or promise of a new factor of which he had never had a suspicion, and which he therefore had never taken into account in his long-cherished scheme of development and many years of practical work. He seemed to be distrustful, first of all, of the optimistic forecasts, and, secondly, uncertain as to the use and direction of the power which vast wealth would surely create. He was distrustful and uneasy because here was something new and great which he had not taken into account in his forecasts and scheme of things.

Naturally enough his discussions with Sauer turned very largely upon what he himself had revealed when he thrust his hand towards the enormous open workings of De Beers and jerked out the one word—"Power!": and Rhodes, the practical and far-seeing, must have realized at once that if control of the goldfields in the sense that they had achieved in Kimberley was not possible, common sense showed that a big share in the new industry would be the next best thing. At any rate, he left with Sauer very shortly to resume and extend operations up north. Sauer had kept close touch with many of the owners of farms and mining rights and had no difficulty in picking up renewals of large and valuable options. Many properties which have since developed into enormously profitable mines were obtainable at ridiculously low prices.

But one day when everything was going at its best Rhodes received a telegram stating that Neville Pickering, who had been appointed secretary for De Beers, was very seriously ill. Everyone knew that Pickering was Rhodes's greatest friend, but until then nobody had any suspicion of the depth of affection and the character of that ideal friendship. Even those who knew Rhodes well would not have believed it possible that he could feel so deeply and be so tragically affected.

I have mentioned in what may appear unnecessary detail the circumstances and objects of his return to the goldfields,

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and one can imagine and sympathize with Sauer's amazement and consternation when he saw Rhodes read the telegram and heard him say shortly: "Pickering's dangerously ill, I am going back by to-night's coach."

To all appeals to await further news and replies to telegrams, or to complete any of the enormously important transactions which were contingent upon their options, he paid not the slightest heed. All seats were booked in the coach, but it brought only the cold reply: "Buy a seat from someone who has already booked. Get a special coach—anything; I am going to-night!"

For many days he remained by his friend's bedside, watching and nursing him. He would attend to nothing. Without irritation or impatience, but with utter indifference, he declined to see anyone on the urgent and important matters of business that always needed attention. Everything that was humanly possible was done, but at the end of about a week the end came and Rhodes appeared to be crushed.

It is a most moving and revealing detail of a unique friendship. Not a thought given to anything but the dying friend. No one would wantonly trespass on a matter so personal and private, yet I have taken the risk, because those who are most concerned will readily forgive it as a revelation of the 'human' Rhodes. So little is known beyond the world's picture of him as the man who "thought in continents," who changed the world on the "map that is further north"; who was seen as "The God in the Car," the machine of ambition, power and wealth—ruthless and void of all human feeling.

There is one scene in this tragedy of friendship which I venture to reproduce as nearly as possible in the words and manner of Sir David Harris, who, until death parted them, was a colleague and friend and most convinced supporter of Rhodes. Harris's original and unconventional, but very attractive method, makes his recollections and narratives unforgettable. The habit of laughing incessantly, often from humour and enjoyment, also as a kind of nervous screen against any impression of sentiment or weakness, seems grotesquely unsuited to a subject of this kind, yet it has appealed to me as instinct with pathos, sincerity and understanding. His story was:

"It was a few days after Neville's death. Everyone loved him, and when Rhodes selected Willie Pickering to succeed his brother as secretary all gladly approved; but it was Rhodes's choice and his heart's tribute to his old friend.

"We, the Directors, were many times a day in and out of De Beers' offices; there was no formality, we just walked in.

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On this occasion I strolled in and saw no one in the front rooms or in the back Board Room, so I went on to see if anyone was in. There was a wide opening, leading to another room, and as I got fairly near and could see into it, I saw two men sitting at a bare writing-table. Something made me stop and I stood quite still. They had no papers before them and did not speak a word. Damn funny it looked" (Harris, as usual, told it with gusts of laughter and much gesticulation). "They were both in the same attitude; one hand on the brow shutting the eyes and supporting the head, with the elbow resting on the table; the other hand and arm lay flat on the table. Damn funny, I give you my word! I stood stock still, sort of fascinated. Then on the little table between them I saw a gold watch and chain in a rough pile which Rhodes and Willie Pickering were alternately pushing from one to the other. And not a word, mind you; damn funniest thing you ever saw. First one would give it a shove and the other would only shake his head and push it back again. And I give you my word they were both crying! And there was I feeling like a beast; wishing I could vanish; trying to edge backwards without bumping a chair or letting them know that I had seen them; and all the time all I heard was: 'No, you are his brother.' And again, 'No, you are his greatest friend.' I managed to get out on tiptoe. Have never been so frightened in my life. Damn funny isn't it?" And Harris, still laughing with a somewhat strained expression and very bright eyes added: "And mind you, I was crying a little bit myself. Damn funny, isn't it?"

It is far beyond the scope of these notes to refer to the further developments of Rhodes's enterprise on the goldfields or even to make any attempt to show the enormous sacrifices involved by the abandoning of all work in order to attend the death-bed of his friend.

CHAPTER VI

THE PREMIER MINE

WHEN the big amalgamation was completed and the De Beers Consolidated created, Rhodes, Beit and Wernher were made life-governors with a share in ultimate profits, which seemed visionary to many at the time, but proved of enormous value afterwards. They also had certain obligations, which from personal experience I can testify were very generously interpreted. For example, Rhodes insisted on reserving the control of the diamond rights in Rhodesia for De Beers. De Beers, having helped considerably, were entitled to consideration, but on other grounds also Rhodes, in the interests of the diamond industry, wanted to make provision for continued control. The later developments, firstly the Premier Mine, then South-West Africa and the Congo, later again Namaqualand, have given further proof that not even the greatest resources or wisest foresight can provide against the discoveries and developments of the entire world for all time.

The moral obligations of the life-governors were interpreted to mean that they would not personally deal in diamond mines, but would submit all offers or opportunities to the De Beers Company. This was carried out to the full by my firm, Wernher, Beit & Co., who were the real proprietors of what was generally called my branch, namely, H. Eckstein & Co., which controlled all Wernher, Beit's business in the Transvaal, and even other business beyond its limits. The partners in the Transvaal firm were really participators in the profits. Wernher, Beit & Co. were the owners and, as such, received by far the greatest proportion of the profits of the local firm. Thus, if H. Eckstein & Co. had taken an independent part in the development of diamond mines, Wernher, Beit & Co. would of necessity have derived a large proportion of the profit, if any, and by participating in an enterprise not under the control of De Beers they would have broken or weakened the diamond control and have injured De Beers, of which they were life-governors participating in profits; in other words, they would have been on both sides. There was no deed or contract of participation in the local firm of H. Eckstein & Co. which forbade dealing in diamonds. It was simply an unwritten

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obligation of honour to respect Wernher and Beit's wishes and position.

There were some results from this arrangement which had not been foreseen.

Firstly, the exclusion of the local representatives from any activity in diamonds almost eliminated any natural and active interest in the matter, since the obvious aim of all business organizations is the making of profit. It is equally obvious that the removal of that incentive greatly diminished, if it did not extinguish, any desire to acquire knowledge of the subject.

Secondly, this attitude of aloofness, which was sometimes even interpreted as unnecessary hostility because it was pro-De Beers, discouraged the discoverers or owners of diamond prospects from bringing their properties to our firm as they brought all their mining proposals. Strange and important results flowed from these conditions.

Mention has been made of the fact that owing to J. B. Robinson's temporary eclipse and the absence on his part of either the power or the will to help, he was not satisfied with the treatment accorded to him by Rhodes and his friends. He was always a very difficult person to work for, and seems to have become so embittered with resentment against Rhodes for what he regarded as the contemptuous treatment accorded to him that he wanted only the means to try and get square by breaking the diamond control and pulling down De Beers. An opportunity came when he made a large amount of money in the early days of the Rand, and without delay he set about a prolonged enterprise to that end. He started out to acquire interests, prospects or mines in various parts wherever it appeared possible that a new diamond discovery of great value might be developed, and the weapon provided by which he could satisfy his vanity. It must have cost him an immense sum, but he never grudged money in pursuit of his peculiar aims.

No one can state what Robinson's inmost thoughts and aims were, but it was quite generally understood that he was making persistent and immense efforts to get square with Rhodes for whatever his grievance was, and to pull him down from the position he had attained and to smash the diamond control. Everyone realized that it was a hard and expensive undertaking, but in the course of a law case—one of his many—it had been stated on his behalf that he was then, in the days of the Republic, reckoned to be worth about twelve millions; so there was no doubt felt as to his ability to make the attempt.

I do not know what justification there was for this estimate of his wealth: it may have included the Robinson Bank and its undertakings which have disappeared, it may have been

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a share-market estimate during a boom; at any rate it would not be wise to accept it as correct at that or any other date, or as being based upon assets of more or less considerable value.

There is neither interest nor advantage in tracing the workings of this vendetta throughout the years, nor is there anything of importance or interest in the vendetta itself, but it led to other developments which are of considerable interest and importance; it also provided a good example of the futility of efforts which are neither constructive nor useful, but inspired only by a resentful spirit.

Early in the 'nineties, when the discoverers and developers of the Witwatersrand began to foresee unlimited extension of the reef east and west, some long casts were made to acquire cheaply what they hoped would be the more distant extension. It has already been shown that when Beit and Robinson ceased to co-operate the latter chose the west for his sphere whilst Wernher, Beit & Co., through their local firm, favoured the centre and the east. In pursuit of this policy our firm, whose staff I had joined immediately after the conclusion of the Beit-Randolph Churchill expedition to Mashonaland, fixed their attention on a farm named Modderfontein, on the East Rand, a highly favourable possibility.

The owner, one Prinsloo, was a Boer of the old type, a strong personality and an extreme racialist. He was one of those who held that immigration was even more poisonous than the visitations of locusts in their millions; that the English, as he called them, were creeping like a disease over the country and in no circumstances would he permit them on to his property, use a word of their language, or have any dealings with them.

I do not represent him as typical of the country, but at that time he certainly represented a fairly considerable class. Unused as he was to the changing conditions and inevitable development of the country, and very much as one can admire the great points in a disappearing type, so one could see in him something that excited perhaps reluctant admiration. He was a big and masterful man, striking and patriarchal in appearance; positive, intolerant if you like, but also robustly independent, and when he saw the opening up of the Rand and the foundation of Johannesburg, less than thirty miles from his own home, his resentment against this intrusion and his determination to escape the hateful contact with the English, were never concealed but freely expressed in terms that made him definitely unpopular with the newcomers. When he announced his determination that no one should come prospecting on his property, and that he would sit on the *stoep* with a loaded rifle beside him and shoot any trespasser, his hostile

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intentions were taken quite seriously, and any attempt to do business with him called for some exceptional resource. In the end negotiations were carried on through individuals who knew him well and who wisely advised that the best thing was to fall in with his views and enable him to escape the hated English by selling his farm to them at an unheard-of price and going to another part where he would be safe from their attentions. The sum of £10,500 in cash to be paid without any facilities for prospecting or testing the farm—that is, on the pure chance that the line of reef would strike through his farm and, if discovered there, would be proved to be payable—settled the matter, and our firm became the owners of Modderfontein, which eventually turned out to be pioneer and parent of all the great East Rand development. In the meantime Prinsloo, to cut himself off from all contact with the hated English, went many miles further east and acquired a new home, namely, Kaalfontein, in a region where no minerals had ever been found or suspected, definitely beyond the formation typical of the Rand, in fact, a region where no one had ever thought it worth while to prospect.

A few years later there came to these parts Michaelson, a Dutch merchant who had been a trader near Laing's Nek and a strong supporter of the Boers in the War of Independence in 1880; a lifelong friend and supporter of such prominent men as General Botha and his comrades, and evidently a personal favourite and much trusted by the Boers in general.

At this date Michaelson had become interested in mineral development, especially diamonds, and his investigations led him to believe in the presence of diamonds in this neighbourhood, and eventually upon Prinsloo's farm. His relations and status with the Boers gave him special facilities and opportunities which were not available to others interested in mining. Notwithstanding all these advantages he found Prinsloo extremely difficult to deal with; yet in the end he acquired the farm and, according to documents still in existence and the evidence of living persons, Prinsloo's conditions were stiff. It cost about £100,000 to clinch the deal. The Kaalfontein Diamond Mining Company was formed and for several years it was full of promise. J. B. Robinson, attracted by this development, endeavoured to acquire his much-desired weapon in this naturally developed region. He took up several properties where indications were thought favourable, some of which were near Kaalfontein, others a good way further off; but he never had the luck to strike the real thing. Having spent millions, he got nothing.

Prinsloo, whose only desire was to escape the contact and

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neighbourhood of the accursed English, had twice been run down by them and been compelled to accept two fortunes in the shape of the enormous sums which he had exacted as the price of what he regarded as their intolerable persecution. However, again Prinsloo shook the dust from his feet, cleared out lock, stock and barrel, and sought another home so distant and so definitely out of the reach of the minerals that for his own lifetime at least he felt he would be left in peace.

Notwithstanding the assurances and convictions of perfect safety against intrusion, his first act was to fence his farm in against all trespassers and to make known widely that in no circumstances whatever would he permit a soul to come in; that his house was so placed that from his chair on the *stoep* he could, and would, shoot any unauthorized intruder, and that he always kept his loaded rifle beside him and spent much of his time in his armchair on the *stoep* 'ready to protect' his rights, as he called them!

He had not been there long before J. B. Robinson acquired the option for the neighbouring farm on the slope below Prinsloo's, and began prospecting for diamonds.

Then there came into the story Tom Cullinan, now Sir Thomas Cullinan, an old friend for whose character and indomitable pluck and perseverance I have always had a very high opinion. He had followed the trail of diamonds for many years, always believing, first, that new discoveries of great value were certain to be revealed in South Africa, and, secondly, that there was some logical order or rule not yet understood which would guide the intelligent prospector to success. I do not know what this logical theory or rule was which he believed he had discovered, but it is no more than fair to recognize that he did find diamonds in places where others had failed to find them: he did persistently follow up the theory that he had adopted; and he did eventually achieve the success of which he had dreamed.

In following up the line which he believed to be the sound one, and which he was convinced would lead back to the source of diamonds, he came upon the properties which had been acquired by J. B. Robinson. But although the presence of diamonds was indisputable he came to the conclusion that the source was not there, and in any case, as the farms were already in the hands of J. B. Robinson, it was clear that nothing could be done. He then adopted a course which was unconventional and risky and which at best seemed to offer no assurance of success. The diamond deposit on the Robinson property lay in a shallow depression or valley which originated

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on the neighbouring farm. No mine had been revealed, and Cullinan's theory was that the diamonds which had been found had been washed through the ages from some pipe on the higher levels. To his eye or imagination, it appeared likely that the potential big mine and the diamond 'pipe' through which the precious stones had been thrown to the surface from Heaven knows what depth in the bowels of the earth, was within a short distance of the boundary fence. As no prospecting was permitted in any circumstances on this particular farm, Cullinan personally made a bold attempt at night to get some guidance by examining the character of the surface for a few hundred yards from the fence to this particular spot on which his fancy had fixed.

He got through the boundary fence at night and gathered in some small sacks a couple of buckets full of the surface deposit and got away with his samples without being observed. On examination he found that the samples contained diamonds and other indications which he regarded as completely satisfactory, and on the following day he drove straight to the farm to interview the owner whom he had never met. The reception accorded to him was coldly and uncompromisingly hostile. Prinsloo was sitting in an armchair on the *stoep*, and leaning against the wall beside him was a loaded rifle which the old Boer indicated as his answer to all trespassers.

Cullinan was born and had grown up in close contact with the Dutch of the Cape Colony; he was very obviously a genuine, decent fellow, and being completely familiar with the language and habits of the people he would ordinarily have been regarded as a very acceptable representative of the newer population or of the prospecting or mining community, if it were possible to regard as acceptable anyone who represented this accursed class. His obvious qualities, his reasonable and tactful manner and methods, prevailed so far as to secure him a hearing; yet when the old Dutchman spoke to give his final decision, Cullinan could not, and did not, consider that his attempt had been a success. In the coldest and gravest tones the old man announced that he was sick of being pestered like this and always driven out of his home; that no matter what was said the fact remained that the accursed English were coming like locusts to eat up the land; that he would stand it no longer; he was persecuted until life was not worth living. His answer was this (pointing to the loaded rifle beside him): "I am not going to have you or anyone tramping over my farm and trespassing here, but I will tell you what I will do. I give no rights, I give no options, but if by 12 o'clock to-morrow at the Standard Bank in Pretoria you pay over £60,000 cash,

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you Uitlanders can have this farm and I will go where I will not be bothered."

Thus, for the third time, was old Prinsloo, despite his most careful precautions, pestered by having a fortune thrust upon him.

The conditions seemed impossible to Cullinan. He had not the money himself and there was no time to negotiate with those whom he had always had in mind. But by superhuman efforts throughout the next twenty-four hours he managed to comply with the conditions and to acquire the farm on which he developed the Premier Mine.

I met him within a few days and he told me the whole story, also saying that he had made every possible effort to find me, but that I was away that day, as he wanted to offer me a large participation and to arrange for the funds to buy the farm. I told him that I personally, and our Johannesburg firm, were debarred from the participation, because Wernher and Beit were life-governors of De Beers and could not possibly deal both ways. This he understood, but expressed his confidence in the character and policy of Rhodes and Beit, whom he knew, and said that this new discovery was such a gigantic thing that some arrangement to promote co-operation, or at any rate to avoid conflict, would be mutually satisfactory. My answer was that I cordially agreed with him and would represent the facts to Beit.

A little later when Beit, who was at that time in South Africa, visited Johannesburg, I made an appointment for him to meet Cullinan and the other principal owners who had the say, to discuss the possibility of acquiring a very large interest in the Premier Mine, something less than a one-half share. I, personally, although without any practical experience of diamond mining, was a strong advocate of this arrangement, pointing out that the new mine would not be absorbed by De Beers, but that the latter would hold a large but not controlling interest, and so practically assure the continuance of the big policy that had always moved them.

Of course, as soon as any suggestion of negotiations with De Beers was hinted at, the extremes of exaggeration prevailed. On the one hand it was alleged that De Beers wanted to secure the monopoly, on the other that the new mine was making false pretence for the purpose of exacting an outrageous price. But the real truth is that a perfectly sane and legitimate attempt was being made in the earlier stages fairly to safeguard the diamond industry and the two negotiating participants.

To my personal knowledge Beit was strongly in favour, but unfortunately at that time there were other and complicating

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factors. In the first place, Rhodes was dead, and his immense authority and drive were lacking. The then Chairman of De Beers was Francis Oates, an original director and a permanent resident of Kimberley. Although an experienced miner from his youth, he was not regarded as in any sense fitted to take Rhodes's place; moreover, his rough and rather dictatorial manner was not acceptable. He came to Johannesburg in time to participate in the consultation. At the same time L. Reyersbach, who had for years been on the staff of Wernher, Beit & Co., in Kimberley, was transferred to Johannesburg, where he became a partner of the local firm of H. Eckstein. His quite intimate knowledge of the diamond business in Kimberley gave him a special status for the expression of his views, which he was never backward in revealing in a very positive fashion. I myself cannot pretend to have been in the inner counsels of either party, nor was there any reason why I should be. I do know, however, because I was personally present, of one incident which certainly had some influence.

Naturally, there had been enquiries and investigations to prove the correctness of the representations made on behalf of the Premier, and a good many people had seen parcels of stones from that mine. One such parcel, not a large one, was produced for inspection in our office. To me, without any personal experience, diamonds are simply diamonds, but the experts are invariably able to determine the origin of the different stones. There are thousands of instances where the really expert man has been able to state positively not merely whether the diamond is a river stone or a mine stone, but whether it came from this, that or the other mine. To the uninitiated this seems incredible, more bewildering even than the oft-quoted fact that a shepherd knows each individual sheep in his flock.

Of all the well-known men in Kimberley no man was more highly regarded in this respect than Alfred Beit himself; and an incident which occurred very many years before, and happened to be within my own knowledge, reveals how strongly this talent may be developed in some.

As far as I know it was the only instance of a betrayal of trust that occurred in the firm with which I had the privilege to become associated. A person in a junior position, but necessarily regarded as trustworthy since he had the handling of diamonds, one day brought in a parcel of stones to submit to one of the partners or representatives. Beit, deeply interested in everything and incredibly quick and capable, happened to meet him and immediately asked to see the stones. There may have been sixty or seventy of them. After a very quick glance at the parcel, which he spread out over the paper, he

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seemed to lose interest and suddenly remembered another appointment, saying: "I am just going to the next room, I will be back in a minute." There he met the local representative and said: "Just go into the next room and have a look at the parcel that Blank has brought in; see if you recognize anything." He himself went into another room to turn up a record; returned to join his junior partner and the broker, and with a casual remark that they looked good enough he sent the latter on to the department which dealt with the stones. Beit then turned to his junior partner, who admitted that he had noticed nothing in particular, to which Beit replied: "There are seven stones in that lot which we have had before; there is something wrong. You will find them in a record which I have just looked up of such and such a date."

This was done and the proof was absolutely clear. Beit had picked out from memory seven individual stones in a parcel of sixty which had previously been purchased in another fairly large parcel six months earlier and had recognized them by their individual qualities.

Within half an hour the incident was closed, and again in Beit's characteristically generous fashion. His duty, no doubt, was to prosecute the delinquent, which of course would have meant penal servitude, but Beit could not do that. His resident partners in Kimberley were told of the position, and Beit added quickly, "Have him in at once, I will deal with him."

The man, already believing that he was caught, was in an utterly shaken condition and began with an appeal for mercy, but Beit stopped him at once and said: "Listen to me. You have just had a cable from Germany." The man began to deny it, but Beit, blinking impatiently, said: "I tell you that you have just had a cable from Germany to tell you that your mother is dying and you must leave at once. A seat is booked for you in the coach and you will leave to-night. You will have a cheque for your salary up to the end of the month, and you will never come back to South Africa again; you understand me?" Too shaken to answer, the man nearly burst into tears and left.

That incident came vividly to mind when the Premier stones were being examined. Reyersbach, in the most positive and unrestrained language, stated that he could recognize Jagersfontein stones, that the whole thing was a fake and these stones were not the product of the Premier Mine. Oates immediately agreed with him and also claimed to recognize the Jagersfontein stones. There were only four of us present. My opinion was of no value; it was all Greek to me, but I remembered that incident about Beit's judgment and nothing could have

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shaken my confidence in his opinion, which was quite clearly that the Premier was a genuine diamond-producing mine.

What Beit had had to stand previously in the way of obstruction and irritating criticisms I do not know, but this was the only occasion to my knowledge that he really lost his temper. He burst out with: "Do not talk damn nonsense"; and then, having been specially angered that Oates, his Chairman, should take this line, he turned suddenly on him and said: "Look here, Oates, you always were a damn fool, you are a damn fool now; it is not true."

I cannot say how much of this hostility and suspicion was revealed to the Premier people; but without any doubt they were conscious of, and even referred to, some hostile influence. Eventually nothing came of this attempt at co-operation.

This accusation of fraud, for that is really what it was, produced a most unfavourable impression upon me, as I judged that a hint of it would have most seriously influenced those who were concerned. On two grounds I scouted the thing as monstrous. Firstly, I knew Cullinan well and nothing would have induced me to doubt his integrity; secondly, the opinion of Alfred Beit on this matter was beyond all question and made others look paltry and ridiculous.

I ought to add that about this time our chief engineer, Mr. Sydney Jennings, who had been one of the chief engineers of De Beers, was asked to look into the matter, and expressed the highest opinion of the richness and genuineness of the Premier Mine, which opinion is recorded in the Parliamentary reports when the Diamond Ordinance was being discussed, and that opinion he maintained consistently.

My own part in these negotiations was merely to introduce those in whose genuineness I had faith, and to promote that friendly co-operation so essential to the direction of the diamond mining industry without impairing the benefits that development would bring to the Transvaal and to South Africa. I made a particular point of explaining to both what the then existing law of the Transvaal was, and, as very important developments have resulted from this, a little explanation will be desirable for those who wish to understand both what took place and what has resulted. This is a scrap of history which has been badly mangled by gossip and has never yet been put on record.