pean bond markets.\textsuperscript{44}

Portuguese-Transvaal negotiations in late October and early November to raise funds to complete their trunk railway proved fruitless.\textsuperscript{45} By mid-November 1891 Kruger was desperate.\textsuperscript{46} A last stop gap measure by the National Bank to loan the NZASM £150,000 for one year, partly on the condition that the Vaal River/Pretoria line be completed, failed.\textsuperscript{47} The NZASM was so hard pressed by 28 November that it had not funds to pay £47,000 in interest on loans due on 1 January 1892.\textsuperscript{48} There seemed to be only one viable alternative; this was the imposition of a gold tax.\textsuperscript{49}

A rare opportunity for colonial-republican conciliation had arrived. The stage had been set by ongoing Orange Free State-Transvaal discussions on federal union and railway policy from 1887. By 1888 Kruger promised Bloemfontein to allow the Cape-Orange Free State railway into the Transvaal after his railway had reached the Kaap Plateau. Yet railway construction to the Kaap Plateau had been complicated by the protracted, unsuccessful through-rate negotiations between the NZASM and the Portuguese East African concessionaire, Edward McMurdo. As early as August 1888 Rhodes had suggested that the Cape help Kruger resolve these through-rate differences. Rhodes recognised the inevitability of the Delagoa Bay railway. Rather than attempt to prevent it, he hoped to capture it. By 15 November 1891 the Transvaal's urgent situation gave Rhodes the opportunity to send the Dutch-speaking Scottish member of his Ministry, James Sivewright, to make enquiries in the Transvaal.\textsuperscript{50} Kruger knew Sivewright through the Transvaal business activities of the Fochabers native which included the Johannesburg water concession. Sivewright also forged the link between Englishman Cecil Rhodes and Afrikaner Jan Hofmeyr. As the leader of the Cape Afrikaner Bond, Hofmeyr represented half of Rhodes' political power base in the Cape. As a political subordinate of both Rhodes and Hofmeyr, and as the "Imperialist Afrikander"\textsuperscript{51} who had negotiated with Kruger on previous business occasions, Sivewright was well-qualified for a mission whose imperial implications transcended sleepers and iron horses. Kruger's failure to gain access to international capital at this critical moment forced him to turn to the Cape for financial assistance. On 30 November 1891 Sivewright met with the Transvaal Executive Council, and on 10 December, Sivewright's birthday, the Agreement was signed.

The heart of the Sivewright Agreement between the NZASM and the Cape provided that the Cape would loan the NZASM up to £900,000 at 4% interest to construct the Vaal River/Pretoria railway line. Funds to construct the Pretoria/Lourenço Marques line were excluded. Kruger wanted to secure those funds from a non-British source another day. That construction materials be imported through Cape ports was a clause which would guarantee much business to the Cape line. A major concession to Sivewright was Kruger's concurrence that running powers over the Vaal River/Johannesburg/Pretoria line were to lay with the Cape and be carried out by Cape staff. This gave the Cape control of the line in Transvaal territory. In order to increase profits and avoid the bottleneck of heavy goods traffic which would follow
completion, a new Cape goods station was to be built in the Johannesburg city centre. In an effort to promote revenue and to protect both the Transvaal and the Cape from excessive charges, a maximum railway rate was set at 6d./ton/mile on the Vaal River/Johannesburg/Pretoria line. It was, however, a 250% increase over the well-established 2.4d/ton/mile rate from Cape ports to the Vaal River. An attached Supplementary Agreement, which created a special rebate fund to compensate shippers for high rates on the Cape-run Transvaal section, provided that for every £100 the Cape advanced for Transvaal-guaranteed NZASM bonds bearing 4% interest, £7 was put into the rebate fund. Finally, the Agreement, which could be renewed, had a two year term. This protected Kruger’s freedom of action once the Pretoria/Lourenço Marques line was completed.

The Cape did not win the right to fix railway rates on the Vaal River/Johannesburg/Pretoria line although the Supplementary Agreement gave the appearance of doing so. During the period the Agreement existed, the maximum 6d./ton/mile was always charged. The rebate fund had been instituted partly in an effort to compete with cheaper ox wagon transport rates from the Vaal River. It was also designed to protect the Cape line from the Delagoa Bay, Charlestown, and Harrismith lines, should they possibly be completed before that Agreement’s expiration. From Port Elizabeth to Johannesburg a ton of goods cost about £8 to convey, out of which 1ls. 8d. was the Transvaal portion on her section.

The Colonial Treasurer of the Rhodes Ministry, John X. Merriman, undertook negotiations to raise the loan in London during January - February 1892. Due to a “..... Colonial market in a state of indescribable collapse,” the best price Merriman could get was £93 when he had hoped for £97. Merriman recommended that the loan instead be brought out at £95 10s. 0d. in South Africa through the auspices of the Standard Bank of which the former Cape High Commissioner and friend of Rhodes, Sir Hercules Robinson, was a director. In this thrifty way the Cape raised the loan in South Africa and avoided using international capital.

Reaction to the Sivewright Agreement was generally favourable. Wernher, Beit and Company saw it as a “splendid stroke of business for the Cape.” The South African press viewed it as anything from a boon to South African unity to an attempt to ruin the trade of Natal. It was to have been the “......finest bit of diplomatic work performed in South Africa in recent years, which only Sivewright could have accomplished. It promised to secure the Transvaal transit trade to the Cape, resurrect the NZASM, and perhaps accomplish a national service by assisting British capital on the Rand by bringing in previously untransportable heavy mining machinery and decreasing the cost of labour and living.

It also contained serious weaknesses. Crucial to the Sivewright Agreement was the verbal Solemn Promise given by Kruger and each member of the Transvaal Executive Council prior to and at the signing of the Agreement. They assured Sivewright that no railway entering the Transvaal, except the Delagoa Bay
line, would get better terms than the Cape. By 1894 much controversy would swirl around this Kruger-Sivewright undertaking.

During Sivewright’s negotiations with Transvaal officials, the opportunity to bring Natal jointly into the discussions was missed. Instead, although he denied it, Sivewright was reported to have favoured a clause denying Natal similar running powers. The exclusion of Natal created a sense of bitter isolation, and placed her proposed Charlestown extension at a heavy competitive disadvantage. Yet High Commissioner Henry Brougham Loch claimed on the occasion of Sivewright’s knighthood that the Sivewright Agreement served the interests of South African union. It would have had a better chance had provision been made for Natal’s participation. Yet as it was, the Agreement became another wedge for Kruger to drive between the impending nouvelle riche Cape and the consequent monetary regression of Natal. These two major flaws - the Agreement’s short tenure and the Garden Colony’s exclusion - would soon haunt the Cape and greatly contribute to the unsettled nature of South African politics in the mid-1890’s.

Nine months after the Sivewright Agreement was signed there were rumours that £50,000 from a Cape secret service fund had been used to bribe key Transvaal officials to support it. At a banquet honouring Sivewright on 23 September 1892, eight days after the first train chugged into Johannesburg, the ‘Penman’ denied the accusation. Even so, shadows were cast upon the occasion. In Pretoria the Natalians had successfully lobbied against giving Sivewright any presentation. Kruger declined to allow official festivities at the opening of the Cape railway to Johannesburg. Official republican celebrating was to be reserved for the opening of the Delagoa Bay line.

The pace of construction on the line from Bloemfontein to the Vaal River set a South African record: 212 miles in 14 months. It had been done by working day and night, constructing without ballasting, and using temporary works and bridges. Speed had a purpose: revenue. Cape Government Railways was working at a loss as late as October 1892. The Cape needed railway receipts from the new trunk line to indemnify local line losses from construction and maintenance costs. Only through the trunk line to the Transvaal could Cape railways and agriculture thrive. And thrive they did as the Sivewright Agreement soon brought windfall profits to the Cape.

Rhodes had other reasons for signing. By June 1891 hope had diminished considerably for the discovery of a Rhodesian Witwatersrand. In that El Dorado’s absence Rhodes could not justify extending the Kimberley line beyond the Vryburg terminus in the face of Kruger’s opposition. Afrikaner Bond leader Jan Hofmeyr also wanted the Sivewright Agreement. It not only promised to make Cape Government Railways profitable at last, it also provided an enlarged Transvaal market for Hofmeyr’s farmers’ produce. Rhodes could ill-afford to oppose the Bond which helped keep him in power. Furthermore, Rhodes, who had large interests in the Transvaal gold fields, and the Randlords supported the Sivewright Agreement because it promised to assist and hasten the recovery of the depressed Transvaal mining industry by lowering the cost of living and bringing in previously untransportable heavy mining
machinery. Rhodes also saw it as a means of eventually gaining control of the Delagoa Bay railway.

Aware of Rhodes’ motive, Kruger safeguarded his interest by rejecting Sivewright’s demand for a lengthy agreement by limiting it to two years. Sivewright and the Cape accepted the Solemn Promise as a substitute for a long term agreement. Whether it would prove a worthy alternative was not evident on 10 December 1891. At that time Rhodes probably reasoned that within two years Delagoa Bay would be his anyway.

Kruger’s Republic and railway were so financially hard pressed that the Boer President did well to get the terms he received. The Sivewright Agreement guaranteed railway connexion with the southern line. The Agreement’s effects would soon alleviate conditions in South Africa which had prevented the NZASM from raising the larger sum necessary to construct the Pretoria/Portuguese East Africa frontier line. By 1892 the Transvaal had turned her 1891 £382,882 deficit into a surplus of £67,064.7 5 The Witwatersrand’s Rand Tram, a measuring stick used to gauge the recovery of the mining industry, had its receipts in 1892 increase 152% over its profit of £25,766 in 1891.7 6 European investors, recovering well from the fading Baring Crisis and recognising the beneficial consequences of the Sivewright Agreement, could now be lured to subscribe to the £3 million loan necessary to finance the rest of the Pretoria/Portuguese East Africa frontier line. With these financial factors in mind Kruger also knew his republican ally, the Orange Free State, was the Cape’s trunk line partner and would share substantially in the windfall profits of the Cape’s transit trade to the Transvaal.

The Sivewright Agreement promised much - too much perhaps. For Kruger it appeared to provide a relatively safe pause in which to fall back and regroup during his quest for an independent port. Rhodes hoped the Sivewright Agreement would advance his imperial goals - either a South African federation under the British flag or the encirclement of the Transvaal. The Cape Prime Minister certainly took a decisive step through Kruger’s southern door. Cecil Rhodes appeared to be, as he often liked to say, riding on velvet. His ultimate destination would be decided in part by Paul Kruger. Quite clearly then, railway diplomacy in general and the Sivewright Agreement in particular, were important factors for both Boer and Briton in their struggle to determine the economic and political character of South Africa during the last decade of the nineteenth century.

Abbreviations

| BPP | British Parliamentary Papers |
| BR | Barlow Rand Archives, Johannesburg |
| CA | Cape Archives, Cape Town |
| CGR | Cape Government Railways |
| CH | Cape Hansard |
| CO | Colonial Office |
Notes

2. CA, CGR 79: File A26/31076, General Manager of Railways Report - 1900, Summary Table XXVIII, p. cvi.
5. CA, CGR 79, *op. cit.*; *BPP* 1892, *op. cit.*
6. NA, NBB 15, 1900-1901: General Manager of Railways Report, 1900, p. 41; *BPP* 1892, *op. cit.*
26. DSA, NZASM Papers, Box 221: G. Pietsch (consultant for Schroeder's) to the Managers of the National Bank, 15 January 1892; BR, HE 57: Wernher, Beit to Eckstein, 8 October 1891, pp. 180-184.
28. NZASM, Pietsch, *op. cit.*
30. HE 190: Taylor to Wernher, Beit, 16 May 1891, p. 180e and 180f; Taylor to Eckstein, 17 June 1891, pp. 249-250.
33. HE 190: Taylor to Eckstein, 1 August 1891, p. 358; Taylor to Wernher, Beit, 1 August 1891, p. 361; J. van der Poel, *Railway and Customs*, p.59, incorrectly asserts that the Volksraad approved the loan at the end of June.
34. HE 57: Wernher, Beit to Eckstein, 26 September 1891, pp. 161-163; HE 190: Taylor to Eckstein, 1 August 1891, p. 358; Taylor to Wernher, Beit, 1 August 1891, p. 361; for an account of Oppenheim's efforts before his appointment see TA, LA 3, Delagoa Bay, 1886-1890: Oppenheim to Kruger, 11 October 1890, p. 207; Leyds to Oppenheim, 16 October 1890, p. 208; Leyds to Beelaerts, 17 October 1890, p. 209; Oppenheim
to Leyds, 27 November 1890, p. 212; Oppenheim to Beelaerts, 4 December 1890, p. 217-220; Beelaerts to Oppenheim, 11 December 1890, p.222; Oppenheim to Beelaerts, 22 December 1890, pp. 224-231; 25 December 1890, pp. 236-237; 30 January 1891, pp. 248-249.

35. HE 190: Taylor to Wernher, Beit, 15 August 1891, pp. 404-405.
36. HE 190: Taylor to Eckstein, 6 August 1891, p. 386; Taylor to Wernher, Beit, 8 August 1891, pp. 394-396; Taylor to Eckstein, 11 August 1891, p. 400.
37. HE 190: Taylor to Eckstein, 15 August 1891, pp. 441-443.
38. HE 57: Wernher, Beit to Eckstein, 10 July 1891, p. 78.
40. HE 57: Eckstein to Schroeder, about 9 October 1891, p. 195; HE 191: Taylor to Wernher, 17 October 1891, pp. 84-88.
41. HE 191: Taylor to Eckstein, 23 October 1891, p. 121; Taylor to Kann, 24 October 1891, pp. 123-131.
43. HE 57: Wernher, Beit to Eckstein, 11 December 1891, pp. 286-287.
44. HE 57: Wernher, Beit to Eckstein, 5 November 1891, p. 231.
45. PRO, CO 417/71: SA 21933, E. Fairfield Comments, 11 November 1891, p. 482; Petre to Salisbury, 2 November 1891, p. 484.
46. HE 191: Taylor to Kann, 7 November 1891, pp. 153-154; Taylor to Wernher, Beit, 14 November 1891, pp. 174-176.
47. TA, LA 251/1, Incoming Correspondence, 1891: Leyds to Beelaerts, 24 November 1891.
51. James Sivewright’s caricature in Vanity Fair (1 June 1893) was titled “Imperialist Afrikander”. The occasion of this honour was to commemorate his recently awarded KCMG bestowed for promoting imperial interests and South African union through his recent railway agreement.
52. CA, V & P 1892, I (i): G5-92, “Agreements between the Cape of Good Hope and the Netherlands South African Railway Company”, passim, OFSA, Cape Letters Received, 1892: Sivewright to Government Secretary, 13 January 1892.
54. Cape Times, 15 December 1891.
55. CA, PMO 261, Prime Ministers’ Correspondence, 1888-1893: Folder 1892, selected documents concerning Sivewright Agreement loan.
56. For an account of John X. Merriman’s negotiations in London see Merriman Papers: 2, Merriman to Rhodes, 19 January 1892; Letterbook 12,
Merriman to J.W. Sauer, 22 January 1892; 3, Merriman to Rhodes, 22 January 1892; 12, Sauer to Merriman, 21 January 1892; 4, Merriman to Rhodes, 23 January 1892; 25, Sauer to Merriman, 28 January 1892; Merriman to Rhodes, 30 January 1892; 11, Merriman to Rhodes, 1 February 1892; 14, Merriman to Rhodes, 5 February 1892; 15, Merriman to Rhodes, 6 February 1892; 60, Merriman to Rhodes, 9 February 1892; 61, Merriman to Rhodes, 9 February 1892; 21, Merriman to Rhodes, 11 February 1892; 85, Rhodes to Merriman, 22 February 1892; 96, Merriman to Rhodes, 26 February 1892; Rhodes Papers, 9: Merriman to Rhodes, 12 February 1892.

57. HE 57: Wernher, Beit to Taylor, 30 January 1892, pp. 310-311.
58. Cape Times, 9 November 1891; Natal Witness, 14 December 1891.
59. Natal Times, 8 December 1891.
60. Friend of the Free State and Bloemfontein Gazette, 5 January 1892.
63. The Press, 9 December 1891; Natal Mercury, 12 December 1891.
64. South Africa, 20 February 1892, p. 318.
65. CH 1892: Sivewright Speech, 29 June 1892, p. 104.
66. Natal Times, 8 December 1891; Standard and Diggers News, 9 December 1891.
67. CA, GH 28/126, Enclosures to General and Confidential Despatches Received from Secretary of State, 1891-1892: Loch to Rhodes, 2 September 1892.
68. Cape Argus, 24 September 1892; the 'Penman' was a nickname given to Sivewright by Agnes Merriman because of his bold penmanship.
70. Cape Argus, 24 September 1892.
71. CH 1892: Sivewright Speech to the Legislative Council, 2 August 1892, p. 127.
72. Ibid.; NA, CSO 2569, Confidential Correspondence, 1892: NGR Johannesburg Agent to NGR General Manager, 16 April 1892.
73. Merriman Papers, Letterbook 1: Merriman to Mills, 12 October 1892, p. 23.
74. CH 1892: Sivewright Speech, 29 June 1892, p. 102.
76. TA, RCR 19; Railway Papers, 1891-1898: Railway Reports for 1891, pp. 8-19; 1892, pp. 5-6.
Spoorwegviaduk oor die Dwaalheuwelspruit in Oos-Transvaal by Waterval-Onder, vir die NZASM gebou in 1892-93 as deel van die Oosterlyn en mooi voorbeeld van NZASM-boukuns - tans buite gebruik weens omlegging van die Oosterlyn tussen Waterval-Onder en Waterval-Boven.
Foto: C. de Jong 1983

Spoorwegviaduk tussen Jakarta en Bandung (dit is Batavia en Bandoeng) op Wes-Java in die Preanger-distriek. Mooi voorbeeld van spoorwegaanleg in Nederlands Oos-Indië in die 19de eeu: die Nederlanders se leerskool vir hul spoorwegaanleg in Transvaal. Die uitgestrekte terrasse is van nat rysvelde (sawahs) deur die inheemse bevolking kunstig aangelê.
DIE NZASM EN DIE OOS-INDIESE SPOORWEË
deur C. de Jong

As ons kyk na die hoë viadukte en lang tunnels van die NZASM-se Oosterlyn in Oos-Transvaal en dink aan die vlak en gelyk landskap in Nederland sonder berge en klowe, wonder ons hoe die Nederlandse ingenieurs dié spoorwegwerke so deeglik en duursaam kon bou. Die verklarings van hul prestasies is die volgende:

(1) Die NZASM het nie slegs Nederlandse bou-aannemers soos Van Hattum & Co met ervaring in Oos-Indië nie, maar ook buitelandse met veel ervaring in bergland in diens geneem. Onder hulle was die Britse aannemers E. Warren en W. Royce wat saam spoorweë in die Kaapkolonie aangelê het en die vyfboogbrug en tunnel tussen Waterval-Onder en Waterval-Boven gebou het. Die spoorbrug oor die Apiesrivier by Pretoria wat in 1984 verder afgebreek is, was die werk van die Nederlandse aannemer J.M. Mante.

(2) Sommige NZASM-ingenieurs het opleiding en ervaring in spoorwegaanleg en -eksploitasie in Europese berglande verwerf. Talle spoorwegdeskundiges het in die 19de eeu in die buiteland gestudeer en gewerk, veral dié op die Europese vasteland. Voorbeeld is Outin de directeur in Transvaal, G.A.A. Middelberg, en die hoof van die NZASM se werkswinkel in Pretoria, die Sweed ingenieur A.C.H. Uggla. Middelberg is opgelei in Switserland en Duitsland en het in Duitsland, Brittanje en België by spoorweë en fabrieke gewerk voordat hy 'n leidende betrekking by die Nederlandse spoorweë bekle het. Uggla is opgelei in Swede en Switserland en het in Swede gewerk voordat hy 25 jaar oud as hoof van die NZASM se werkswinkel benoem is.

(3) Verskeie NZASM-ingenieurs het baie ervaring by spoorwegaanleg en -eksploitasie in die berglande van Nederlands Oos-Indië opgedoen. Dié feit verdien meer aandag as wat dit tot dusver gekry het. Hulle het pioniers van spoorweë op die bergagtige Java en Sumatra geword. Van die drie konsessionarisse in Nederland wat in 1884 die derde Transvaalse deputasie belowe het om die Oosterlyn van Komatipoort na Pretoria aan te lê, was twee groot manne uit Oos-Indië. Die eerste was Dirk Maarschalk (1829-1886), pionier van die spoorwegaanleg deur die Staat op Java in 1878-81. Die tweede was Johannes Groll (1825-85), pionier van die telegraafaanleg deur die Staat op Java en in 1871 en volgende jare hoof en sanerder van die Staatspoorweë in Oos-Indië. Die derde was Rudolf Willem Jan Cornelis van den Wall Bake (1843-1910), hy het in Nederland en nie in die buiteland gewerk nie. Groll is reeds in 1885 oorlede en Maarschalk in 1886. Maar Bake, die eintlike stigter van die NZASM op 21 Junie 1887, het spoedig na hul dood as medekonsessionaris en medebestuurder Ir. J.L. Cluysenaer (1843-1932) gevind. Laasgenoemde