

# **The History of Antony and Dorothea Gibbs & of the early years of Antony Gibbs and Sons**

**By John Arthur Gibbs - 1922**

## **CHAPTER XVIII. ANNEX THE FIRST YEARS OF THE SOUTH AMERICAN FIRM**

As a preface to the history of the founding and of the early years of the South American firm it will be useful to recall some features of the Spanish Colonial system, and to give a short account of the events which led, by its destruction, to the opening to the whole world of the trade of the west coast of South America.

By the rules of the system all traders and all officials high and low in a Colony were European Spaniards born in Spain, and licensed to reside in the Colony or to trade in or with it. Even Creoles (children of pure Spaniards) were disqualified. No overseas trade was permitted except with Spain. No capital which was not Spanish could find employment in a Colony. No Colonial could own a ship nor have a cargo consigned to him. No ship not Spanish could touch, even in distress, at a Colonial port without risk of capture and imprisonment of the crew. No foreigner could reside in the Colony. The legal penalty for trading with a foreigner was death, and the same for a foreigner entering the Colony.

As the result of the inadequacy of supplies to the Colonies under this system a gigantic contraband trade sprang up, which was carried on by the English, Dutch, French, Portuguese and North Americans in the Atlantic; and with the goods came in knowledge. Peru being the most remote of the Spanish Colonies from intercourse with Europe, it was there that the monopoly of trade was longest kept from the encroachment of other countries, but her distance from Spain to some extent preserved the Creoles, Mestizos and aboriginal races from some of the worst forms of oppression practised on the other side of the continent. Some few foreigners did get in; thus there were several in Lima in 1808 and succeeding years.

In times of particular urgency the trade rules were in some ways modified in favour of foreigners by the granting of special licences or by special enactments, but at no time were foreign firms allowed to establish themselves in the South American Colonies.

I have already alluded to the stimulus towards independence engendered in Spanish America by the successful revolt of our North American Colonies and by the events of the French Revolution. During the occupation of Spain by the French (1808-1813) the central authority of the mother-country met its death-blow. In 1809 and 1810 revolts of the Colonial-born Spaniards took place over all South America except in Lower Peru, and sooner or later all the Colonies gained their end. The Viceroy of La Plata, who ruled the present Argentina, Uruguay, Paraguay, and Bolivia, was forced by the Colonials to resign in 1811. Chili, which Spain governed through a Captain-General who was independent of the Viceroyalties, revolted in

1810, but Peru, to which the corn of Chili was an essential, recovered it for Spain in 1814, and the old Colonial regime was reinstated. Though by 1816 the Argentines had freed most of their country from the Spaniards, they were still fighting, and with poor success, in their northern provinces and in Upper Peru (Bolivia) against the Spanish forces there, and had come to see that they could never be safe from the danger of reconquest except by helping Chili and Peru to become free, and overcoming the Viceroyalty of Peru by way of the Pacific. Their general, San Martin, crossed the Andes into Chili in February 1817 with an army of Argentines and Chilians, and won the battle of Chacabuco there, following upon which the Spanish Governor of Chili, Casimiro Marcó del Pont, was taken prisoner, Bernardo O'Higgins was made by the Patriots Supreme Director of Chili, and an alliance was formed between Chili and the Argentine.

The Chilians at once began to collect the nucleus of a navy. With this they broke up the Spanish blockade of Valparaiso in April 1818, and in October and November captured a 50-gun warship and several troop ships coming from Cadiz with reinforcements under her convoy. Their ships now numbered 13 (against 17 in the Spanish Pacific fleet). They were chiefly officered by English and North American seamen, and in December were put under the command of Lord Cochrane, who, already famous for his naval exploits, had been engaged to come out from England for the purpose.

In 1819 Cochrane twice took part of the Chilian fleet out from Valparaiso for raids on the coast of Peru, captured Spanish treasure and stores, fought the Spanish ships, blockaded them in Callao, and disseminated revolutionary ideas among the people: and he extended his operations to Guayaquil, which was the Spanish arsenal in those seas, dominating the whole coast which hitherto had been Spain's exclusive preserve. In January 1820 by his famous exploit of taking Valdivia with one ship he deprived the Spaniards of their last real base in Chili (though they held the Isle of Chiloé till 1826) and enabled Chili to get a loan from England of £1,000,000.

Meanwhile an army of 20,000 men had been preparing in Cadiz for South America, but, delayed by intrigue and decimated by yellow fever in 1819, it was dispersed at the end of that year. Moreover in January 1820 Riego's revolution in Cadiz forced Ferdinand VII. to conform to the Constitution, which he had repudiated on his restoration in 1814, and it inaugurated a policy of trying to settle with the Colonies by negotiation. Thus, Buenos Ayres being freed from the fear of attack by sea, and the Patriot forces in Chili relieved from the danger of further reinforcements arriving for the Spanish Pacific fleet or for the Spanish troops in Peru (numbering 23,000 between Upper and Lower Peru), and the Chilian fleet having already virtually obtained the command of the West Coast waters, the way was clear for San Martin to lead to Peru under Cochrane's convoy an army of 4,000 Argentines and Chilians which had been prepared for the purpose.

The expedition sailed from Valparaiso on 20 August 1820. Callao was blockaded, and on 6 November Cochrane executed another of his feats in cutting out the Spanish gun frigate *Esmeralda* from under the guns of the forts, leaving the Spaniards with only two ships of importance, and these surrendered a few months later. Later in the month the army was landed at Huacho, 90 miles north of Callao, and by the end of the year all the north of the Viceroyalty, including Guayaquil, its furthest province, declared for independence.

The engagement of John Moens by A. Gibbs & Sons early in 1820 was mentioned. Having since actually received a request from their Spanish friends in Lima to send out a representative, they decided to let him go without waiting longer for news of the Chilian forces having accomplished the freedom of Peru. His age was then 23.

Provided with A. Gibbs & Sons' power of attorney, he sailed in the Baltic in June 1820 via Madeira and Cape Horn and arrived at Valparaiso on 15 November. English firms had established themselves there and at Santiago as soon as Spanish rule in Chili was overthrown. He had to do at Valparaiso with A. Gibbs & Sons' agents McNeile Price & Co. (whose style a little later became Montgomery Price & Co.), to whose care they had sent in the Baltic some goods for sale. He went to Santiago and himself sold some of the goods there and some in Valparaiso. He reported that not only British but also United States traders were doing a good deal of business with Chili. Under the old regime Spanish traders had generally been prohibited from supplying Chili or Peru via Cape Horn: European goods had to come via Panama. Now of course it was by the Horn that Chili received European goods (Magellan was too dangerous a Strait). In those days England, not having recognised the independence of any of the revolted Spanish Colonies, had no consuls or other representatives in Chili (and of course not in Peru), but ships of the British Navy patrolled the coast and it fell to their commanders, under the orders of the commodore of the squadron, not only to protect the interests of British merchant ships and cargoes, but also British subjects in the ports, and to take the latter as passengers when necessary. Moens made friends with Captain Sheriff of H.M.S. *Andromache* and on 10 December sailed with him for Callao, which was blockaded by the Chilians, arriving off that port on the 20th. One of the guns of the port opened fire on the ship, but it was a mistake and an apology was sent off. The ship was, however, under suspicion, not only because it was supposed in Lima that the English and Americans had helped Cochrane when he cut out the Esmeralda, but also because it was thought in a measure to be a breach of neutrality that Sheriff had Lady Cochrane on board as a passenger though she was going home in the ship and had only come to take leave of her husband. San Martin was at Ancon, 15 miles north of Callao, and troops which had been landed at Pisco, marching inland behind Lima, were on the point of joining with the main Patriot army at Huara, so that Lima seemed to have only a small tract of country left to call its own.

Moens was not at first allowed to land, but after 14 days and by the influence of some of A. Gibbs & Sons' Spanish correspondents in Lima (they had about 50 there, nearly all Royalists) permission was given him, and he got safely to Lima (6 miles off) on 4 January 1821, though on landing he was in danger of losing his life at the hands of the people of Callao. He called on the Viceroy, Pezuela, by whom he was well received, but was counselled by him not to show himself in the streets.

There were only five other English in Lima. By the end of the month he was able to say that though the suspicion with which the English warship was regarded "takes away a good deal of countenance from the English in Lima I am now so well known in the town that it is not necessary for me to be under any or at least very little restraint." For his first ten days he lived in the house of one of A. Gibbs & Sons' friends and quickly obtained the confidence of all of them. It is curious to read that some months later the ex-Grand-Inquisitor of Lima, Pedro Zalduegui, had become a special friend of his. In a letter to G. Henry Gibbs of 21 January he describes the

city of Lima and refers to the peculiar dress of the ladies, who were " wrapped tight round in vests of camlet so well plaited that they will stand by themselves and set off the figure to great advantage, a small black hood is then tied round the waist and drawn over the shoulders head and face exposing one eye which is generally a Piercer." Lima "considering its having no intercourse with other nations of Europe except Spain I think it far advanced in every respect." Pezuela was deposed by the Royalists at the end of January, La Serna being made Viceroy in his stead.

Since 1810 the Viceroys of Peru, no doubt influenced by the alliance between Spain and England, by the difficulty of getting goods from Spain while the French were there, and by the depletion of their funds during the war waged for recovering possession of Chili, had allowed goods to come from England to Peru by way of the Isthmus (whence they would be shipped at Panama in Spanish vessels), charging a large extra import duty for the privilege. It follows that money was allowed to be sent by the same route to pay for these goods. Thus is explained the agency which A. Gibbs & Sons had at Panama, their receipts of dollars and bullion from Peru before 1819, and the orders for goods which they received thence and were able to execute before that date. One of the results of Spain losing command of the Pacific in 1819 was that the Spanish merchants in Peru were altogether prevented from shipping their dollars and bullion (the chief exports of Peru) in Spanish vessels, so that the Lima Government, which depended very much for revenue on export duties on such shipments, and on import duties on the goods which came in exchange, was forced to allow all the precious metals to be shipped to countries other than Spain. Therefore British warships which had entered the Pacific to protect the newly established British interests in Chili, and which went up to the coast of Peru during Cochrane's operations, "opened registers" for the conveyance of such precious metals to England.

It was one of Moens' first aims to get his friends in Peru to consign as much gold and silver as possible in this way to A. Gibbs & Sons, to whom a considerable amount had, even before Moens' arrival, already been sent. "Alzedo's House & A. Gibbs & Sons" were "the 2 leading London Houses" represented in Lima, so the opportunity seemed great, though supplies of the precious metals had fallen off owing to large recent shipments. Another object which Moens had was to get the consignment to the Gibraltar House of cargoes loading on the coast, and to arrange return cargoes for ships with whose outward cargoes A. Gibbs & Sons Spanish Houses had had to do. He was also authorised to buy and ship home a certain quantity of Peruvian produce for account of A. Gibbs & Sons.

Moens quickly came into conflict with Cochrane and the Patriots. His first meeting with Cochrane was on the occasion of Captain Sheriff inviting both of them on board H.M.S. *Andromache* off Callao. Lady Cochrane was there, also the "Vice-Queen," Pezuela's wife, for whom she had got permission to leave Peru and go with her to England; " rather a motley crew," wrote Moens. He also said that Cochrane knew all about him from letters from England. Not long before, Cochrane, on the strength of his having declared (on behalf of Chili) a blockade of the Peruvian coast, had seized two British ships, the *Edward Ellice* and *Lord Suffield*, as neutrals carrying contraband, which had been sent out from Gibraltar by Gibbs Casson & Co.

As far as can be gathered from Cochrane's Narrative, Miller's Memoirs, and Moens' letters the story about them is as follows. These two ships were among those chartered by the Spanish Government as transports for troops of the expedition against Chili which was disbanded in

1819. The Government satisfied the ships' claims for demurrage by granting them (though British ships) licences to carry cargoes to Peru. The cargoes were supplied in Cadiz by a Spanish friend of Gibbs Casson & Co. for a Lima client of theirs, but both ships proceeded to Gibraltar and were furnished there by Gibbs Casson & Co. with British papers as a protection against seizure by the Chilian fleet, in addition to the Spanish ones supplied at Cadiz. The firm were perfectly within their rights in doing this, for the Chilian and Peruvian Patriots were technically merely rebels against the Spaniards. After keeping the two ships under arrest some while Cochrane sent them in February 1821 from Ancon to Valparaiso for trial. Chiefly in order to go into this matter with his agents, McNeile Price & Co., Moens went to Valparaiso in April 1821 in H.M.S. *Creole* in company with Sir Thomas Hardy, who, as British Commodore on the coast, was interesting himself in the suits. They reached Valparaiso on 15 May and Moens left again for Lima in H.M.S. *Conway* (commanded by Capt. Basil Hall) on the 26th before the trials were over. On his way back, at Arica (7 June) he found that Cochrane had been there in May and ordered or taken away British ships (among them two that Moens expected would load cargoes to the consignment of the Gibraltar House) and had landed troops under Colonel Miller which had plundered Arica and Tacna. Between Ilo and Mollendo the *Conway* met Cochrane. Moens accompanied Captain Hall on a visit to him in his ship and wrote to A. Gibbs & Sons: "Cochrane has a great enmity against me and your House saying that he has a good large book about us." At the end of August, when Sir T. Hardy was again at Callao for a short time, Moens heard that the Court had on appeal released the *Suffield* and *Ellice* and other ships - Hardy's influence had been decisive - also that "the Master of the *Mary*, who is a great rascal, has shown Lord Cochrane the papers Gibbs Casson & Co. made out for her" (so this was another similar case) "with their letter to him to throw the others overboard if necessary; indeed he disclosed the whole and is to have 5 per cent. on the condemnations. Sir T. Hardy has told him his mind on the subject." Cochrane in his Narrative says that after getting information about the system of double papers he found originals of some of the Spanish sets in Peruvian custom-houses, apparently in Tacna or one of the *puertos intermedios* which he had raided in May. The *Ellice* and *Suffield* on being released at Valparaiso sailed for Callao, but put into Mejillones, afraid to proceed, having no doubt heard of an intention which Cochrane had expressed to rearrest them "meet them where he may." Hardy found them there and convoyed them up to Callao in November, and, in view of the disclosures about them, decided with Moens and their Lima consignee that, as they would only be safe in his (Hardy's) company and as New Spain (Mexico) was too unsettled to send them there, they must return to Gibraltar with their cargoes. They arrived there in April or May 1822, "the cargoes to be landed by Gibbs Casson & Co. for a commission," and "complicated questions between the shippers, underwriters, and charterers" remained to be settled. When Cochrane returned to England lawsuits were brought against him, which he eventually won, for his actions on the Coast with regard to these and other ships. Hardy recognised Cochrane's blockade of Callao in 1820-1, but not that declared by him of the *puertos intermedios* or of those parts of the Coast which could only fitfully be visited by ships of his fleet.

Cochrane gave up his command in the middle of 1821, the Chilian ships withdrew, and the Patriots of Peru proceeded to organise a navy of their own in place of them.

After putting in at Arica as mentioned above, H.M.S. *Conway* had called at Mollendo (13 June 1821), and from there Moens went on mule back to Arequipa, "a 40 hour ride of 100 miles," and "suffered exceedingly from the heat on a sandy ash plain of about 15 leagues, and as much ascending the immense ridge of the Cordillera from cold." A. Gibbs & Sons had Royalist clients in Arequipa and he was very well treated there and dined with the Royalist Intendente. "I wonder much," he wrote, "when Englishmen have brought them to the present pass," meaning of course the English officers in the Chilian army and navy. After Colonel Miller and his troops had left that district, Moens (in Lima) arranged for a friend who was going to Mollendo to ship to A. Gibbs & Sons \$25,000 in silver dollars from their Arequipa friends.

Moens arrived back in Lima on 28 June 1821. The Viceroy evacuated the "City of the Kings of Peru" on 6 July; San Martin entered it on the 12th and was made Protector. The independence of Peru was proclaimed on the 28th.

In these days Moens, though for several nights on horse patrol in the city, by riding to Calao and boating, all alone and at great personal risk, shipped to A. Gibbs & Sons \$150,000 in silver and gold coin and bars on behalf of his Spanish Royalist friends in H.M.S. *Conway*. (By this time he could speak Spanish fluently and correctly.)

The Protector acted magnanimously to Moens, who wrote: "He gives a ball once weekly in the Palace and has given me a constant ticket. A few other English are only occasionally invited."

One effect of the victory of the Patriots on A. Gibbs & Sons' business was that sooner or later many of their friends among the old Royalist Spaniards left Lima, some voluntarily, some under cruel compulsion, some at first to join the Royalist army in the mountains, some to take ship to other South American ports or back to Spain: but many of them afterwards returned to Peru, for in general the Patriots showed leniency to the old Spaniards. "I had made all of them friends," wrote Moens, but "wherever these traders settle A. G. & S. will have a trade in that port." This might well have been the result to some extent but that Moens by his unbusiness-like ways, as will be seen, turned many of them afterwards to enemies.

A still more important effect had long been foreseen-namely, that it would become open to the merchants of all countries to trade with Peru and to have establishments of their own there, with the result that the character of foreign trade would change, for foreign goods would no longer come in through Spain only or (as recently) as the result of orders and money sent to London beforehand to pay for them, but manufacturers and adventurers would, as had happened in Chili, send their goods to Peru "on consignment" and wait for their money till the proceeds of the sales should come back to them in drafts, bullion, coin, or produce of Peru, though in some cases they might get an advance in England from the merchant through whom they consigned the goods. It seems in the present day astonishing that merchants and manufacturers should have been so ready to make these ventures when their news as to the state of the markets in Peru can rarely have been less than 4 and was often 6 or 7 months old, and when at least double that time must elapse before they could even hear of the arrival of their goods: they never expected returns in less than 18 months and often had to wait far longer.

Moens wrote home that the name which A. Gibbs & Sons had made in Lima and the quality of the goods which they sent out had given them a reputation such as no house had enjoyed in

Valparaiso at the time of the opening of Chili to trade, and placed them on the best possible footing for dealing through their representative in Peru with consignments on a large scale.

After the fall of Lima Callao remained blockaded, but quiet reigned in the capital till September 1821 when the Royalist army came down from the mountains, marched past Lima into Callao, and, finding no means of subsistence there, marched back again on the 16th, all under the eyes of San Martin. On the 21st Callao surrendered to the Patriots, and on the 25th 60 ships (most of them loaded with wheat from Chili) waiting at Ancon were allowed to move to Callao and discharge. Many English arrived at Lima the same month. A new customs tariff was published (20% on imports, 5% on dollars, or 2½% on gold exported, 4% on other exports). Foreigners were permitted to set up establishments, but could only as yet obtain leave (as Moens did) to act themselves as consignees by paying 5% extra duty on imports; otherwise they had to employ a Peruvian citizen in that capacity.

The influx of Englishmen into Lima is illustrated by the fact that Moens was this year chairman of an English commercial room or club which he formed with 13 original members.

In October Moens despatched two ships to the consignment of Gibbs Casson & Co., Gibraltar. In November he shipped about \$130,000 in bullion and specie, and some produce, in H.M.S. Superb to A. Gibbs & Sons on account of Spaniards who again left all the work to him through fear for themselves no doubt). In the next month he shipped \$40,000 for them in H.M.S. Creole.

The independence of Peru and the other Spanish Colonies was recognised by the United States in April 1822; and, as mentioned in a letter of A. Gibbs & Sons, England practically recognised it the same month by the issue of an order in Council allowing South American produce to enter British ports in ships of the independent Governments, but formal recognition was postponed for two or three years.

Turning now to England and Spain, the news which came at the end of 1820 of the sailing from Chili of the expedition against Peru made it altogether too perilous for cargoes in Spanish names to go to Peru. William Gibbs & Casson in Spain and G. Henry Gibbs in London at once saw the advantage which their Gibraltar House and Moens' presence in Lima gave them, for Spaniards were now anxious to ship their silks, and other goods both Spanish and foreign, from the English port Gibraltar in English ships and in Gibbs Casson & Co.'s name, consigned to Moens via the Horn, and without any Spanish papers at all going in the ship. Wm. Gibbs chartered the *Resource* in May 1821 for the Gibraltar House, to carry a Spanish cargo in the way described above to Guayaquil, and to be loaded back to Cadiz or Gibraltar.

A. Gibbs & Sons heard early in June of Moens' arrival at Lima on 6 January. Very soon after they undertook the management of two whole expeditions to the West Coast - namely, by the ships *Bristol* and *Importer* - and as it was with these cargoes that they may be said to have opened the importing business of their South American firm, their story may be told in some detail.

In July 1821 two Spaniards, Manuel Marcó del Ponto and Ambrosio Ibañez, came to A. Gibbs & Sons with a licence which the Viceroy of Peru, prompted by the lean state of his Treasury, had given the former in Lima on 18 December 1819 to bring to Peru a cargo of "lawful and unlawful" goods from Bordeaux or London in a foreign ship and to send her back there loaded with Peruvian produce. Marcó paid him \$20,000 for the licence and advanced him

\$80,000 on account of the import duties' which would be payable on the cargo. There is a letter from William Gibbs of December 1820 from Cadiz reporting on the two Spaniards' attempts to carry out the business on the Continent. They failed there and A. Gibbs & Sons took it up, influenced probably as much by the desire, now that they had their own man in Peru, to advertise the beginning of their new business there by an important transaction as by the expectation of deriving a large profit from it. Afterwards they would gladly have had nothing to do with the business. The Spaniards brought no money with them, but the firm signed a charter of the Bristol (427 tons register) for Marcó's account (thus complying with the licence) for the round voyage to any ports between Cape Horn and San Blas (Mexico) and back to Europe, and supplied them with a cargo of goods for her on a contract under which payment by the Spaniards only became due at the ship's port of discharge of the cargo and after its arrival there. The intention of course was that the cargo should be sold in Peru; the alternative of ports as far up as Mexico was only inserted for security's sake, but it became a usual precaution in all charters to the west coast of South America in those times. The two Spaniards were to go with the goods, and it was thought that 18 months was ample time to allow for them to sell the cargo and for the payment to reach the firm's hands; so the firm bought the greater part of the goods on 18 months' credit from the manufacturers, who charged 10% for it. Most of the goods were bought through Frederick Huth & Co. of London. The firm paid the advance freight and all such expenses as had to be met in cash. The cost of the goods, made up with all charges and the firm's large commissions for managing the expedition, came to about £85,000. To this 40% was added to cover the cost of their insuring against their risks of the voyage, the expense of getting the Spaniards' money home in silver coin (including Peruvian export duty on silver of 15½%) and their own profit. The resulting total due by the Spaniards came to \$640,988 (about £120,000 at 45d.), which sum they agreed to pay to the firm's representative in instalments during the first six months after arrival of the ship at the port of discharge. Gibbs Casson & Co. took an interest of 1-10th, and George Gibbs (personally) of 2-10ths, leaving A. Gibbs & Sons with an interest of 7-10ths (and their commissions) in the profit or loss on the contract. The Spaniards pledged all their property, besides the cargo, for the payment, but the firm for their own further protection appointed Samuel Banfill Mardon (brother of the Wm. Mardon who was in Antony Gibbs' employ 1801-8) to be their supercargo in the ship and gave him their full power of attorney. He took in his own keeping the charter-party, bills of lading, invoices, and insurance policies, which were all, except the charter-party, in the firm's name. Mardon, under Moens' instructions, or Moens himself if the cargo landed at Callao (for Lima), was to be consignee and was not to hand over any of it without receiving the corresponding proceeds. The two Spaniards were to sell the goods, but as long as any money remained due to the firm the sales were to be subject to the consignee's approval. The consignee was to ship the money for the firm in coined dollars direct to London; or to Cadiz, Rio, or Calcutta with orders for good bills to be bought with it for remittance to London. Mardon and Marcó had free passages out; Ibañez paid £80 for his. With Marcó and Ibañez were associated four other Spanish partners in the contract with the firm. The contract reserved 10 tons of space in the ship free of freight, to fill which the firm bought for cash a much larger weight of goods in which the interests were: about £700 worth the captain's, about £200 Mardon's as part of his remuneration, about £3,300 worth divided equally between the firm, Marco, and Ibañez, and the two latter were to remit their share of this

from port of discharge with 50% added. The firm allowed a house called Wilson Minshull & Co. and George Gibbs to take over part of their own share of this, and on 31 December 1822 remained with only an interest of £650 in it.

After loading in London the *Bristol* sailed about 18 November 1821 to Guernsey to take in some French goods, which were to be transhipped to her by A. Gibbs & Sons' agent there, Henry Dobree. This was no doubt in order to avoid the transit duty which in those days was imposed in England, but not in Guernsey, on goods coming from the Continent for transhipment. Mardon, Marco, and Ibañez had been waiting in Guernsey since 19 November to join the ship. She did not sail from there till about 26 December owing to contrary winds, and then meeting a gale put into Portsmouth to refit, and sailed thence on 3 January 1822.

Before she sailed from Guernsey it was known that Lima had fallen, that Callao and the coast of Peru were still blockaded by Cochrane, and, what was most disquieting, that the blockade as far south as Pisco was recognised by Sir Thomas Hardy. Moreover many ships were found to have lately gone from England to Valparaiso to wait there for the expected immediate opening of Lima to free commerce, so the *Bristol's* cargo, even if admitted to Lima, was likely to find a bad market there, and, as the Valparaiso market would be no better, it really seemed that the best chance might be for the ship to go to San Blas and for her cargo to be sent for sale to Guadalaxara, 240 miles inland.

The ship arrived at Rio on 19 February 1822. The reports of the many Spanish refugees from Lima found there were so discouraging that an attempt was made to sell the whole cargo there, but without success. So the ship went on to Valparaiso on 22 March, arriving 11 May. A little of the cargo was landed there. Only scraps of information are available as to what took place there. Callao having fallen besides Lima, if Marcó and Ibañez took the cargo there their presence on board would ensure its being confiscated by the Patriots. If it went there without them Moens thought he could get it received as English, but in that case they would lose the \$80,000 paid by Marco on account of duties, or at any rate would only have a doubtful claim for that money against the Government of Spain. The same would be the case if they took the cargo to Mexico. Their efforts were therefore devoted to getting the cargo to one of the "Intermediate ports," which were still Royalist. In August Mardon was in Santiago trying to get a licence for the ship to sail thither under the protection of a Chilean warship. The ship was still at Valparaiso in November, but she sailed soon after, and Mardon had with him a member of Montgomery Price & Co. to help him with the cargo. She was the only ship at that time allowed to trade at the "Intermediate ports." How with her Spanish taint it happened that the Chileans gave her permission is unknown to me. She failed to get into Arica, was some time at Iquique early in 1823, then at Arica. At last the cargo was all landed at Quilca. Moens, as we shall see, was there in April 1823. He found it being sent up thence to Arequipa and large sales out of it had already been made, but the calling of a British warship there was a rare event, and it was not till November that Mardon could send any of the money home. (The *Bristol* was rechartered by M. Marcó to load at Guayaquil for Europe.)

A. Gibbs & Sons, whose payments to the manufacturers fell due about March 1823, were greatly inconvenienced by the long delay. It took years more to wind up the affair. The private venture was closed in the firm's ledger in 1826 and without loss to the interested parties, but at the end of 1825 the sum still due to the firm from their 7-10ths interest in the contract was

£50,000 and the same at the end of 1826. £23,000 of this received net would have got them out without loss, but when, as will be related below, John Hayne visited Arequipa in 1826 he found that there was no chance of getting so much either from the Bristol's goods still left unsold or from the property of M. Marco and Ibañez or their partners, and he compounded with them by taking over the goods and what other assets he could get on behalf of A. Gibbs & Sons, with the result that from 1827 to 1832 £11,000 more was recovered for the firm. In 1832 the firm closed the account with a loss to themselves of £12,000 (and of their commissions) which was met out of reserves made for the purpose during the period 1823-6. During the following years up to 1839 certain recoveries came in to partners' accounts which reduced the loss by £6,000.

The establishment made, as it were by chance, by Mardon at Arequipa in 1823 under A. Gibbs & Sons' power of attorney began almost at once to have consignments of goods to attend to besides the Bristol's goods and persisted as the Arequipa House of the South American firm from that date to 1880.

The *Importer* was chartered by A. Gibbs & Sons for Lima about the same time as the *Bristol*, but the cargo was supplied to her on very different terms. She took in in England goods bought by the firm in fulfilment of orders (accompanied with money) from their Spanish friends in Lima; she also took there a quantity of goods consigned by English manufacturers to Moens. She then went on (6 Sept.) to Gibraltar where Gibbs Casson & Co. filled her up, partly with goods supplied by, or bought by them on account of, Cadiz Spaniards, partly with certain goods unsaleable there belonging to their English manufacturing friends which their owners wished sent to Lima. The London firm had about £1,000 worth of goods of their own on board and the Gibraltar House some further small amount.

The cargo was all marked as A. Gibbs & Sons' and there were no papers in the ship to show that any of it was Spanish owned. Though the ship was British and had no licence, there was no risk that the cargo would not be admitted if the Royalist Spaniards were still in power, for Lima was known to have received foreign cargoes lately without licence owing to the exigencies of the Royalist finances, and the Spanish traders there had been actually asking A. Gibbs & Sons to send them goods on consignment.

A. Gibbs & Sons had hopes of a fine profit to themselves and the Gibraltar House from the many commissions involved, and from their own goods on board, but their chief object in loading the ship was "to give their monied friends and friendly manufacturers a profitable introduction to the Lima market with a view to future consignments."

In support of this object the English part at least of this cargo, unlike others which had been sent before by other people, had been well chosen and assorted to suit the taste of Lima, and included general goods besides textiles. Others had looked to cheapness only, but in this ship were superior goods as cheap as low ones were a short time before.

The proceeds were ordered to be remitted home preferably in gold or silver coin or bullion and in British warships, but if necessary in produce, but in no case in produce to Spain for fear of what British relations with Spain might be, but copper might be sent to Gibraltar.

The ship sailed from Gibraltar on 5 December, arrived at Rio 31 January 1822, sailed thence 10 February, and arrived at Callao 1 June. The Patriots being by then in possession there was no difficulty in the cargo being received at Lima as British, but the war being still in progress it was now Spanish cargo that would be refused admittance, and unluckily the Spanish ownership

of part of the *Importer's* cargo was known in Lima even before her arrival owing to the indiscretion of one of the Cadiz Spaniards. Moens tried to order her off, but she had damage and could not proceed, and he was forced to pay no less than \$43,000 (£8,000) as extra duties to prevent confiscation of the whole cargo. About this time four or five cargoes consigned to other firms were confiscated on information received from England or Spain. For loading home Moens got the *Importer* a charter to take cargo at Payta and Callao, whence she sailed December 1822.

Directly they heard of Moens' arrival at Lima A. Gibbs & Sons wrote to tell him (June 1821) that they considered him regularly established, though under the existing Spanish laws there could be no public recognition of his status. In October they wrote to him that his partnership with them in the South American business, under the style of Gibbs, Crawley, Moens & Co., would begin on 1 January 1822, his share to be  $\frac{1}{4}$ , theirs  $\frac{3}{4}$ . They had circulars announcing the partnership and the opening of the Lima House printed in readiness for the day when direct trade with Peru should be permitted, and on getting news in November of the fall of Lima they at once began to send them out. By 14 December they had issued 1,000. The earliest letter extant signed "Gibbs Crawley Moens & Co." by Moens is dated 29 May 1822.

On Moens' urgent recommendation A. Gibbs & Sons agreed in August 1822 to establish a House at Guayaquil on the ground that there was more produce (chiefly cocoa, but also cotton, and bark) available there for the return cargoes of ships that had brought out goods to Peru than at any other port. Besides it would be an alternative port for the sale of part of any cargo which happened to arrive at Lima to a bad market. Moens sent there Richard Barton with the procuration of the firm in January 1823. He was a man who was well liked and he did good work for some time, but he left the firm in 1828 under a cloud. The Guayaquil House only lasted till 1839. Moens also engaged Robert Parker, with whom he lived some time in Lima, to act as the firm's agent at Piura and other places between Lima and Mexico for selling goods and buying produce to send home, but he proved to be an unsatisfactory man of business. A. Gibbs & Sons saw almost from the first that for their complete success on the West Coast it would be necessary to have a House at Valparaiso and perhaps Santiago, also perhaps at Tacna, or its port Arica, in order to have Chili and Upper Peru (later Bolivia) as alternative markets for their cargoes. Indeed, without the first some consignors would refuse to employ them. But they decided to be content with Guayaquil for the present. A House at Arequipa did not enter into their calculations because of its much greater distance from the sea than Tacna, but chance caused them to open there as I have shown already. If the *Bristol's* goods could have been quickly disposed of the House would have been transferred to Tacna. Arica and Tacna were afterwards often discussed and in the end, but not till 1844, the Tacna House was founded and lasted till 1870. The founding of the Valparaiso and Santiago Houses will be described further on.

Besides issuing circulars in December 1821 A. Gibbs & Sons sent their partner Charles Crawley to the North of England and to Scotland to bring the Lima firm to the notice of manufacturers and to establish agents who would procure consignments for shipment to them.

In March 1822 they began to employ on a similar errand on the Continent Samuel Bright, who when he left A. Gibbs & Sons office in 1821 had gone abroad in search of a variety in business experience before settling down in Liverpool. Hitherto A. Gibbs & Sons' business in

France, Germany, Holland, or Belgium had been limited to receiving a few insurance orders and to getting a few consignments for transshipment by their Gibraltar House to other places. S. Bright's plans fitted in with their desire to extend their connections there, a desire prompted by their knowledge that others (notably F. Huth & Co.) who had better Continental connections were beginning to compete for the Lima trade. According to their information from Lima the Royalists were not likely to give much more trouble now that both Lima and Callao had fallen. New Spain (Mexico) having declared herself free, her Pacific ports were believed to be open as alternative places of discharge or loading. These circumstances conduced to the belief that it was a favourable time for consignments to be sent to the West Coast. Besides negotiating with suitable firms to become A. Gibbs & Sons' agents for collecting consignments for Lima S. Bright was instructed to try to make arrangements for the firm to receive larger insurance orders and for linens and wool to be consigned to them in England. He was furnished with details of the usual charges made by the London, Gibraltar, and Lima Houses. In March 1823 he joined temporarily the Hamburg firm of Baumeister & Co., so that his work for A. Gibbs & Sons then ceased till he went to Liverpool in 1824, but meanwhile A. Gibbs & Sons had in September 1822 sent F. V. Eck, a Swiss clerk of theirs, to follow up S. Bright's initial work for them on the Continent.

Another measure by which A. Gibbs & Sons sought to strengthen themselves in the Lima business was to order Moens to send a man home every nine months with samples and news of the markets who would visit all their actual or prospective consigning friends. The cost of each such trip would they thought be about £500.

They secured for the Lima House in 1821 Lloyd's agency and the agency of the Liverpool and Glasgow Insurance Associations.

As the result of all the activity in seeking for consignments the *Bristol* and *Importer* were followed by a regular succession of cargoes consigned to the Lima House, with the loading of most of which A. Gibbs & Sons or Gibbs Casson & Co. Ltd. had to do.

The London House chartered the *Lavinia* and the *Hoogly* (470 tons) before the end of 1821, which were loaded partly in London, partly at Gibraltar, the first sailing from the latter place in March, the other in June 1822. The *Lavinia* had £18,000 of Edwards' goods on board out of £26,000 worth shipped in her from England. The *Dick* sailed from Gibraltar in February 1822. Antonio Baras sent his ship the *Rosa* with a cargo loaded partly by himself at Nice, partly by Gibbs Casson & Co. at Gibraltar. Mees Boer & Moens of Rotterdam sent a small cargo in the *Sara* in January 1822. The *Tertius* sailed early in 1822; the *Corvo* in September, with a cargo of flour on joint account between the Gibraltar and Cadiz Houses and some Spaniards; the *Garland* about March 1823. Most of these ships returned with cargoes consigned to the Gibraltar House and several of them with cargoes of cocoa loaded by the Guayaquil House for account either of the Gibraltar House or of Cadiz Spaniards. Several of these cargoes came under suspicion of being Spanish owned, but the only one actually confiscated seems to have been a cargo of cocoa in the *Hoogly* at Guayaquil and that unjustly. In September 1823 the Lima House was selling goods brought there by no less than 11 ships.

The vigour of the measures described taken by A. Gibbs & Sons to obtain a leading position in the Peruvian trade newly opened to the world could hardly have been exceeded. They wrote to Moens in December 1821: "We are determined to pursue our object till all competitors are left

far behind." If he backed them up well by showing himself to consignors to be a good man of business" you will be able to command what consignments you please as Casson does at Gibraltar."

But Moens was not the man they thought. Popular and respected he was in Peru, well liked by Government and other officials, hard working and very loyal to the firm, but he had profited less than was thought by his previous training in business ways and clerical work, and was self-opinionated and dangerously sanguine, and, as G. Henry Gibbs wrote of him some years later, he had "energy without discretion and zeal without judgment."

His letters and market news from Peru were inadequate from the first, and when the press of business came on him in the second half of 1822 by the arrival of the cargoes despatched to him he was incapable of dealing with it properly. Often he did not answer letters and failed to correspond with consignors. He sold the goods readily enough, and if he made some bad debts so did others, and the disturbed state of trade in Peru was some excuse for it, but his account sales were long delayed or badly made out and he remitted home money without saying how it was to be distributed among consignors. In the case of the *Importer* he reported large sales at good prices, but delayed for some months to say that he had had to pay the fine of £8,000 which would be a charge against the goods, and the Spanish consignors of Cadiz when they heard of it openly accused him of stealing that money out of the proceeds of the goods. His brother's firm of Amsterdam, who had sent the *Sara's* cargo to him, declared they would deal with him no more. By July 1823 A. Gibbs & Sons found themselves in such disgrace with the consignors who had sent goods in both the *Importer* and *Lavinia* that all their efforts to create a great consigning business seemed to have been thrown away, and it was seen to be their duty, indeed the state of Peru was by that time found to have made it a necessity, to restrain missions of goods thither.

Undoubtedly the firm ought to have supplied Moens with trained clerks before thrusting so much business on him. He was expected to find Peruvian clerks, but these were so inefficient that he tried to do everything himself, without knowing how, and when he discovered he could not he simply neglected the work. From the first he was asking for help from home. He also pointed out how desirable it was that he or someone in his employ should be free to visit other places on the coast, and when he heard of the shipments preparing begged that one of the London partners would come out. The firm intended Mardon to join him, but, as we have seen, this plan was frustrated. In June 1822 they had two men in training to go out, one named Rowe who it seems never went, the other George Thomas Davy, one of the most valuable men whom they ever engaged, who sailed from Cowes in the *Antelope* in January 1823 on a two years' agreement. In February 1823 William Gibbs was seriously thinking of going to Lima, but the state of his brother Henry's health prevented it. Casson was invited to go, but declined. Moens did engage some Englishmen, and enter into mutual arrangements with others, who may perhaps have been the best available on the coast, but their subsequent careers all showed his bad judgment of men. Barton and Parker have been already mentioned; Duncan and Hill will be referred to further on. On joint account with one Robert Page he engaged the House in several ventures, especially in a cotton milling business in or near Lima: he chartered a brig and sent goods, some bought on speculation in Lima, some out of those consigned from home, to Pisco, Huaraz, and other places as far as Realejo (in modern Nicaragua) and San Blas; he purchased

a certain amount of produce on speculation up and down the coast and made advances to one or two men to buy more for him, most of which business led to trouble and loss.

Moens' sympathies with the Spanish Royalists at the beginning brought him into difficulties with the Patriots in Lima. The former were his and his principals' first friends there: he had Spanish interests to protect in goods sent out to him on behalf both of Cadiz and Lima Spaniards. It was his duty to help them, and at the same time for the sake of the English manufacturers whose goods were in his hands for sale it was his duty to keep out of trouble. The position would have been difficult even for a tactful man, which he was not, and the flourishing business which he appeared to be doing raised him up jealous enemies.

In March 1822 he was in prison for three weeks, falsely accused of sending off some of the Spanish silver in one of H.M. ships without paying the duty. His friends rallied to him and disproved the charge by papers in the Custom House.

An attempt was made by the Patriot Government in October to exact a large levy from the foreign merchants in Lima, but it was at the time successfully resisted on their behalf by Captain Prescott of H.M.S. *Aurora* (Moens wrote a report of the incident to Lloyd's). Nevertheless the Government did obtain large sums of money in this way in the next year, as appears from Gibbs Crawley Moens & Co.'s accounts.

An approach of Royalist forces to Lima at the end of March 1823 afforded Moens' enemies an opportunity to denounce him again as a friend of the Spaniards, and the newly appointed Patriot President, Riva Agüero, felt compelled to order him away till all fear of the enemy returning to Lima had gone. He wrote home that till then he "was in the President's confidence." He was assured that his business would not suffer and that the Minister of State would write to A. Gibbs & Sons to that effect. He went on board of H.M.S. *Aurora*, but after ten days was asked to return and forget the occurrence. Two days after his return to Lima he sailed (11 April) in H.M.S. *Blossom* for Quilca and Valparaiso, intending to go on thence overland to Buenos Ayres. The reason which he gave for this sudden move was that he had secret information that the Peruvian Admiral, Guise, had started for the "Intermediate ports" with some ships of his fleet and intended to seize the *Bristol* at Quilca, but no doubt he also thought it wise to absent himself from the West Coast for a while. He left a friend of his named Samuel Duncan in charge of the business, to whom he had given the Power of the House when he was ordered away, believing him to be a capable man.

He was in time with his warning at Quilca, for he found the *Bristol* there unloaded but with her cargo on the beach being sent up to Arequipa. He made the acquaintance of Mardon and of Manuel Marco, and was able to hand them certified copies, which he had obtained with great difficulty in Lima, of the documents which proved that Marco had paid in advance in 1819 for duties on the *Bristol's* cargo, without which Viceroy La Serna, who at that time controlled Arequipa (from Cuzco), insisted on charging the full duties. He arranged for the *Blossom* to call back again for the money which Mardon was collecting to send home (as she did in November). Moens went on in the *Blossom* about 1 May, but owing to gales and other difficulties did not reach Valparaiso till 17. June. There he met G. T. Davy just come from England and sent him on to Lima, where he arrived 29 June when the Spanish army was on the point of entering the city as is related further on. At Valparaiso Moens appointed a new agent of the House, Frederick Hill. This man, of whom Moens at that time had a high opinion, had his own office and store at

Valparaiso, but he seems to have been given a position as regards the firm more intimate than that enjoyed by their former agents, Montgomery Price & Co., who for reasons not recorded must have become unsuitable as their agents. By this time it was too late in the season to cross the Andes to Buenos Ayres, so Moens decided to go to Europe via Cape Horn in the *Tertius*, one of the ships which had brought a cargo to the Lima House, which was then loading a cargo at Valparaiso of \$60,000 worth of produce consigned to the Gibraltar House.

Here it will be well to interpolate a short account of the progress and end of the Spanish war in Peru.

The war was not brought near its end by the fall of Lima and Callao as at first appeared likely to be the case. The co-operation of the North had to be added to that of Argentina and Chili to complete the emancipation of Peru. In May 1822 forces of San Martin joined hands in Guayaquil with forces of the other great Patriot leader, Bolívar, and helped the latter to put the finishing touch to the conquest he had made of the whole of the North from the Viceroy of New Granada. At the opening in September of the first Congress of the Republic of Peru San Martin relinquished his work in Peru, recognising that it was Bolívar who must complete it. Meanwhile the Royalists under La Serna, the Viceroy of Peru, had strengthened themselves in the highlands, with Cuzco for their base. In December they defeated near Tacna and Moquegua a Patriot army sent by sea from Lima under Alvarado. The next year, while the Patriots were again attacking the "Intermediate ports" with forces under Santa Cruz, the Royalists actually recaptured Lima (2 July), but evacuated it after a fortnight, and the Colombian general Sucre and his forces, sent down to Callao by Bolívar to help the Peruvians, went on to the South and occupied Arequipa; but in the meantime Santa Cruz, who had pushed up to La Paz and Oruro, met with disaster, and in September his and Sucre's forces were re-embarked. At the beginning of 1824 the situation of the Patriots was precarious. The Royalists, who had twice their number of men, again occupied Lima and even Callao. The President of the Republic deserted to them. In the middle of the year, by the arrival of Spanish warships (Spain's last effort), they even recovered the preponderance at sea. But Bolívar himself had come to help the Patriots in September 1823. He secured an army of Colombians, attacked the Royalists in the mountains, and won an action in August 1824. In December Sucre defeated La Serna in the decisive battle of Ayacucho. All the Royalist forces in Upper and Lower Peru then surrendered, except in Callao, and the Spanish ships departed. Callao held out till January 1826. A little later Chiloé, the last Spanish position on the Pacific, was given up. Bolivia became a separate State in August 1825.

Moens, sailing from Valparaiso 13 July 1823, arrived at Gibraltar about 1 November, at the same time as a ship called *Fanny* from Lima and one from Payta, both consigned to Gibbs Casson & Co. He gave Casson what explanations he could to appease those Cadiz Spaniards who were suffering by the fine levied on the Importer's goods and by his great delay in sending accounts of the goods by that ship and the *Lavinia*. Casson wrote kindly of him to G. Henry Gibbs, evidently attracted by him, as all were: "He is an informed young man of correct notions and with a sincere desire to act for the best interests of his friends " ... "He has sterling good qualities of honour and integrity. His great sin has been want of attention to the minutiae of correspondence which has caused us such vexation, obloquy and disgust... The Cadiz men make no allowance for his anxiety and suffering under circumstances which required the most

extreme judgment and experience and the nicest tact to manage." These men, Casson said, would never do business again with the Lima House, and would cause them much trouble if the Royalists were to win in Peru. With the Patriots permanently in power there would be an end anyhow of consignments being sent out from Spain.

After about a month Moens went to London. A. Gibbs & Sons agreed to let him return to the S. American firm, but with his partnership interest reduced from 25% to 10% from 1 July 1824 and with his name omitted from the style of the firm, which from the same date became Gibbs Crawley & Co.

A. Gibbs & Sons sent him to visit their consigning friends and to make his report to them about their goods and accounts and to give information about markets for the various kinds and qualities of goods. In particular he was commissioned to obtain suitable consignments and to make certain purchases for filling the *Wanderer*, which A. Gibbs & Sons had chartered to go out to the West Coast and back, and which was to be loaded on the berth at Liverpool for them by shipbrokers, in conjunction with Moens and their agents Gibbs Thompson & Co., for Valparaiso and Peru.

He sailed in her himself on 25 February 1824 in charge of the goods, together with Henry Witt who had been engaged for the Arequipa House. The ship putting in at Teneriffe, Moens was able to call on two clients whom A. Gibbs & Sons had there. They arrived at Valparaiso in August and Moens proceeded to sell goods which he had brought for that place. The bills of lading for all the cargo for Peru were there certified and sealed as British by the British Consul. Moens then got a licence from Santiago for the *Wanderer* to proceed to the "Intermediate ports" and sailed 11 September. There was little fear of finding a Peruvian blockading force there, and he had hopes of landing the cargo for those parts at Arica and selling it at Tacna. But on calling there and applying to Tacna he was refused permission to discharge, or even to wait while he petitioned the higher authorities in Arequipa. So the *Wanderer* went on to Quilca and Moens spent nearly three months, partly there, but chiefly at Arequipa, before the cargo was all safely passed through the Custom House at the latter place. He found Mardon, Marco, and Ibañez still working at the *Bristol's* cargo. He left Witt with Mardon and sailed in the *Wanderer* in December with the goods for Lima, but Callao being in the hands of the Spaniards she could not get nearer than Chorillos, where she arrived 17 December. The next day he got the news of the battle of Ayacucho and realised at once its decisive character.

On reaching Lima Moens wrote home in praise, but in far too generous terms, of the way in which Duncan had in his absence conducted the very large amount of business which he had to do with insufficient assistance and through the period of grave political disturbances in Lima to which I have alluded.

No sooner had Davy arrived at Lima in 1823 than Duncan, though sorely needing his assistance, sent him off to San Blas in H.M.S. *Aurora* to take charge of a cargo of goods which he was despatching thither in the *Antelope* as a speculation on account of the firm, an affair which Moens was responsible for setting on foot. At San Blas Davy sent the *Antelope* as soon as she was discharged to Sonsonate (in modern Salvador) where Parker had produce for her for Lima. As ordered to do he despatched the cargo landed at San Blas inland to Tepic, the nearest market, and was able to send some of the proceeds of it in the *Aurora* to A. Gibbs & Sons, but the bulk of it proved unsuited for that district and it was only after long waiting and

getting instructions from Duncan to sell it off at a great sacrifice that he could dispose of it. He left San Blas at the end of May 1825 in a ship for Guayaquil which called at Sonsonate, where he met Parker, and whence he paid a visit to Guatemala City.

After only two months in Lima Moens started off to Guayaquil, a trip which A. Gibbs & Sons had wished him to take but which was hurried on by their writing to him that they had received information that Barton had developed intemperate habits. His ship called at Trujillo and he arrived at Guayaquil 18 March 1825. He was there two months (except for a trip which he made thence to Payta and Piura to enquire into the trade at those places). Neither he nor Davy, who was there a little later, saw anything amiss with Barton. He was able to do useful work there in recovering from the Colombian Government \$37,000 claimed for the cocoa cargo in the *Hoogly* which was confiscated in 1823, and in helping Barton to arrange for the purchase of cargoes of cocoa for the *Wanderer*, and another ship, both to the consignment of the Gibraltar House. While he was there an American ship and her cargo were brought in by her captain to the consignment of the Guayaquil House. At one time there he was again thrown into anxiety for his personal safety by getting news that he had been denounced to General Bolívar as having been a regular agent for concealing Spanish ownership in cargoes. Moreover the arrest of the *Garland* (under charter to Gibbs Casson & Co.) was ordered at Guayaquil, evidence having been found in a condemned ship that some of the invoices of goods shipped by Gibbs Casson & Co. on freight in the *Garland*, which purported to be British, covered smuggled goods and Spanish made goods. She escaped by connivance of the Captain of the Port, but suspicion of course rested on Gibbs Casson & Co., although they were innocent of any knowledge that the invoices delivered to them were false. Soon after the *Rosa* (consigned for the second time to the Lima House) was again denounced as Spanish and Bolívar sent a ship to catch her, but she too escaped. It should be mentioned that the rule against smuggling laid down by A. Gibbs & Sons for themselves and their Spanish Houses was equally enjoined on their South American House and was strictly adhered to by their Houses everywhere.

Moens left Guayaquil 17 May 1825 and rejoined Duncan at Lima on 29 June.

Early in 1825 A. Gibbs & Sons, at the earnest solicitations of their manufacturing friends, and urged thereto by Samuel Bright of Liverpool, decided to open a Branch of Gibbs Crawley & Co. at Valparaiso, and instructed Moens to send someone there to establish it in place of the agency conducted by Hill. They wrote their first letter to the Valparaiso House on 1 April, 1 sending it out by the hand of M. Charles H. Judge, a new clerk for Gibbs Crawley & Co., who had been two years in the London office and who was instructed to remain in Valparaiso if no one had meanwhile gone there from the Lima office. Moens being in Guayaquil had sent no one; so Judge did stay, working under Hill and in his office but attending exclusively to Gibbs Crawley & Co.'s business.

In October Moens despatched George Rodger," a clerk who had been in the Lima office for ten months, to help Judge. It is clear from letters that both the London and Lima Houses looked upon the founding of the Valparaiso House as dating from Judge's arrival there, though strictly speaking it was not a separate House while Hill remained agent.

Since Moens left Lima to go home two clerks, besides Davy, Judge, and Witt, had arrived from the London House, namely A. Johnston who arrived at Lima in March 1823 and only remained a few months, and Frederick A. Eck who arrived there about June 1825. Davy got

back to Lima in September 1825 after two years of absence and was given the Power of the House by direction of the London firm, since they were not at all satisfied with Duncan and had asked that he should be sent home in the autumn, no doubt that they might see him for themselves, as well as for the reason given him that he should bring reports and samples for the manufacturers. Duncan began zealously enough in 1823, but he had since caused the London firm to lose clients by shamefully neglecting the correspondence: no one from Lima gave him a good character. Davy on his return found a "vast improvement" in the Lima office owing to their having at last had trained clerks. Moens reported home in October "I have now the means as regards assistance to carry on whatever business may come." He also said that the house in which the clerks all lived together with him was now noted for being the most quiet in Lima " and for its regularity its name has become almost a proverb." At that date, Rodger having gone to Valparaiso, the Lima staff consisted of Moens, Duncan, Davy, and eight clerks.

Duncan reached England in February 1826. A. Gibbs & Sons found him totally unfit for the position he had held in the Lima House. Though he had had £500 a year there and the Power, and Moens had encouraged him to believe that he would return as a full partner, they withdrew his Power and offered him only a clerkship in Lima at a smaller salary. This he refused, but he seems to have returned to Lima on his own account.

Meanwhile A. Gibbs & Sons had decided to send out John Hayne, who had been with them eight years, to be a partner in Gibbs Crawley & Co. They were led to take this step because, though Moens since his return to Peru had shown great improvement in his correspondence and in many ways, the accounts in all the Branches were dreadfully behindhand. Hayne as bookkeeper in the London House had a complete knowledge of all the business and of the firm's system and was well fitted to put the accounts in order. Moreover they were thoroughly alarmed by the lack of judgment shown by Moens in constantly speaking in his letters of Duncan in the highest terms, and they felt they would be safer if Hayne were with him. They decided also to admit Mardon into the partnership as they considered that so far he had "stuck to his post and duty like a bulldog." Davy they passed over, for he was an unknown quantity: they did not know if he had returned from Mexico and during his long stay there they had heard very little of or from him. They signed a printed circular, dated 1 August 1825, which was issued from Lima in November 1826 after Hayne had arrived there and had secured Mardon's and Moens' approval of it, announcing the new partners of Gibbs Crawley & Co. and naming the Houses as "Lima, Intermedios, Guayaquil, and Valparaiso"; Intermedios no doubt because it was as yet undecided whether the House at Arequipa would not be moved to Tacna; Valparaiso because as we have seen they had sent out instructions for opening a House there. Moens was still to have 10%, Mardon and Hayne each 5%.

Hayne sailed from Liverpool in the *Nimrod* on 11 August 1825 with a letter of introduction to "Gibbs Crawley & Co. Valparaiso." The ship had \$23,000 worth of goods on board consigned to the South American Houses. He reported from Liverpool that Samuel Bright during the past eight months had shipped for manufacturers \$100,000 worth on consignment to them and that his firm, Gibbs Bright & Co., as agents for A. Gibbs & Sons, could command any quantity if Gibbs Crawley & Co. backed them up well by giving their best attention to the selling and by sending regular advices to the consignors. Henceforth Liverpool was the chief port of shipment of goods to the South American Houses. Hayne reached Valparaiso on 7 December, but just

after his arrival a crisis occurred in Hill's affairs which showed that he was not at all a proper man to represent the firm. Hayne at once took a separate store, but it is not recorded at what precise date he got rid of Hill, though it is clear from the letters that it was early in 1826. In those days the Custom House being at Santiago nearly all foreign firms had offices both there and at Valparaiso. Hayne saw that the firm must follow their example and decided after some hesitation to make the Valparaiso office the chief one.

He went with Judge to Santiago to establish him there, while Davy, whom he had persuaded Moens to send down from Lima, took charge of the Valparaiso office. A letter is extant from Hayne to Judge dated 27 May 1826 leaving him instructions for conducting the Santiago House. (The House at Santiago was closed about the end of 1835, but another was opened there in 1909. The Valparaiso House has endured to this day.)

Charles R. Pflucker, a German who was engaged by A. Gibbs & Sons in October 1825 for the Coast, arrived at Valparaiso about the end of 1826, and, Judge going to England in 1827, he took his place in Santiago for eight months. Pflucker then went to Lima, visiting Arequipa on the way, and Rodger took charge of the Santiago Branch.

Hayne, after making up the accounts of the Valparaiso and Santiago Houses to 31 May 1826, left for Arequipa, where he arrived 21 June. Accompanying him was Samuel Went, who had come out from England with him to enter the Arequipa House as a clerk. Hayne remained at Arequipa till October engaged in making up the accounts of the House there, which had not so far sent home any balance sheet or profit and loss account, and the accounts of the *Bristol's* cargo, and laying the grounds of the settlement with M. Marcó and Ibañez to which I have already referred. Mardon married an Arequipa lady during or shortly before Hayne's visit, and Moens married another in 1827 or 1828.

Hayne reached Lima on 13 October 1826, joining Moens in the direction of the House. He wrote home: "The House here is conducted with the greatest order and regularity and I have seen nothing like it in S. America ... all the clerks are fine young men." With his advent the books began to be put into good order and all outstanding accounts to be made up and the settlement of old affairs still pending to be taken in hand.

The rumours of Barton's irregular habits in Guayaquil had proved only too true, but it was not till the middle of 1828, when a clerk from the London Office named Trossé arrived at Lima, that Pflucker, who had been chosen to supersede him, could be spared. Barton left the firm before the end of the year owing them a large sum of money. No profit and loss account of the Guayaquil House was made up till Pflucker took the matter in hand.

At the beginning of 1828 A. Gibbs & Sons decided to send Charles Crawley to the West Coast. The business having become a really important one, it was desirable that one of the London partners should look into it thoroughly on the spot. There were also questions of managership which it was impossible to settle by letter. They had cause by then for great dissatisfaction with Mardon, who had almost ceased writing to them. Moens' presence in the House was seen to be more and more a danger. Hayne was disposed to condone the faults of the former, and he had so far fallen under the fascination of the latter that he could not recommend his removal. Davy was threatening to resign his position. He had never made up his mind to stay abroad. His father's death in 1826 rather changed his view, but he had resented Hayne being put above him, and Hayne had not been tactful, when he saw him in Valparaiso in

1826, in the way he explained the matter to him. The firm, recognising that "everything he had done at Valparaiso had been well done," offered him a partnership and were willing to make it retrospective, but he declined it, saying that he wished to resign as soon as someone could be found to take his place.

Charles Crawley, with his wife and child, sailed in the *Caroline* from Liverpool via Madeira and arrived at Valparaiso 3 January 1829. He was able to persuade Davy to accept the partnership. Crawley wrote home: "I am quite at a loss to understand how Davy in so short a time and with so little experience can have picked up so much knowledge of business and of household affairs. He has an excellent head and natural turn for business, good judgment, decision, and manly independence of character above his years." There were 5 clerks in the office, including Eck who had been sent down from Lima. The firm's house and office was close to the shore in the centre of the bay": exceedingly well furnished: 4 menservants kept (2 English and 2 natives): stables attached in which each clerk had the right to have 1 and Davy 2 horses, the firm paying half their keep.

Crawley visited Tacna in February and Mardon met him there. He appointed a firm there to be agents for consignments from Gibbs Crawley & Co.'s Branches. He then went to Islay (where they also had agents), and Arequipa, and joined Moens and Hayne at Lima on 1 April. He had found Mardon grown quite stupid and incapable, so with Moens' and Hayne's approval he asked Witt to join the Lima office with a view to his taking Mardon's place after learning the ways of the House. Witt had left the House in Arequipa before Hayne went there in 1826, but he was so useful a man that Hayne had engaged his help for the accounts there and again afterwards at Lima temporarily. He responded to the invitation and was in the Lima office from May 1829 till he took over the management of the Arequipa House in December 1830 with the Power of the House. Mardon continued to live at Arequipa.

Though Crawley found that Moens was very ignorant of the details of the business and that he paid no attention at all to the letters of the London House or their partners, it was with great difficulty that he could persuade Hayne that he ought to be got rid of. As G. Henry Gibbs wrote about that time: "Such a strange compound is Moens, so radically and dangerously bad in all his mercantile operations, and yet so zealous, diligent, and so devoted to our interests and negligent of his own that his sudden dismissal could not be taken without shocking public feeling regarding him." However the way was made easy. Hayne had studied and had put in order the affairs of a concern called Compañia Maquinaria at Cerro de Pasco which owed money to the firm and in which the bankrupt estate of Abadia & Arismendi, which also owed them money, had a large interest. Moens was Receiver of the estate. Hayne had visited the place in September 1827 and April 1828. The managing directorship of that concern was offered to Hayne at \$300 a month and he was inclined to accept it and leave the firm himself. This Crawley was able to prevent by assuring him that there was every intention to increase his partnership share in the firm. Hayne then agreed that if Moens could have the directorship he would withdraw his opposition to his dismissal since thus public odium might be avoided. So it was arranged, and Moens, who of course was well aware of the London firm's grave dissatisfaction with him, left in May 1829, without any impairment of his friendship with Hayne.

Thus Hayne became head of the Lima House, and he and Davy the only two full partners of Gibbs Crawley & Co. on the Coast. Hugh Torrance (who had been some time in the Lima office) was given the Power of the House and made Hayne's assistant in Lima.

In the next year Torrance went to Guayaquil to help Pflucker, but his health failed in 1832 and he seems to have left the firm. Pflucker then took the position which Torrance had had in Lima, and Henry Reincke who had lately been engaged and given the "Power" was sent to the Guayaquil House, which House was closed in 1839.

Crawley remained at Lima till September 1831 when he went to Guayaquil, returning to Lima in January 1832. He paid a visit thence to Arequipa in March-April. Later in the year Davy came up to Lima to confer with him and Hayne, and in October he and Davy travelled to Valparaiso, whence Crawley sailed for England in April 1833.

The financial results to A. Gibbs & Sons of the South American business are referred to in the text.