

Rubber, Rebels, and Rio Branco: The Contest for the Acre

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IN 1820 a windjammer sailed into Boston harbor with a pair of rubber galoshes from Brazil in its cargo. A return order for five hundred pairs left by the next packet for Brazil, and the rubber boom was on. It would cost thousands of lives, erect a \$10 million gilt opera house in the middle of the Amazon jungle, reduce tens of thousands of men to slavery, build a railroad “with each tie resting on a human skull,” and cause the Republic of Bolivia to lose over a third of its national patrimony.¹ The rivalry between Bolivia and Brazil for control of the upper Amazon basin is a little-known side-effect of South American economic development in the nineteenth century.

Under the terms of the Treaty of Tordesillas of 1494 the entire rubber-producing region of the Amazon lay within the domains of the Kingdom of Castile. Despite legal title and a series of exploratory expeditions, Spain fought a losing battle in the Amazon against the steady westward push of the Luso-Brazilians, especially after the Portuguese gained control of the mouth of the river in 1580 through the union of the two crowns. During the eighteenth century the two Iberian powers made two efforts to settle their differences and in 1777 finally delineated the frontiers between Spanish and Portuguese America in the Treaty of San Ildefonso.

In this treaty the Luso-Castilian boundary ran up the Paraguay River to the Lake of Xarayes, crossed that body to the mouth of the Jauru, then traversed the low marshy watershed between South America's two great river systems, the Amazon and the La Plata, to intersect the south bank of the Guaporé. Proceeding down the

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¹ Willard Price, *The Amazing Amazon* (London, 1952), 141-144, 151; Frank J. Kravigny, *The Jungle Route* (New York, 1940), 4-5; United States House of Representatives, Document No. 1366, “Slavery in Peru,” quoted in P. H. Fawcett, *Lost Trails and Lost Cities* (New York, 1953), 61-65; Barão do Rio Branco, *Questões de limites* (Rio de Janeiro, 1958), V, 21-22; and Octavio Tosta, “Bolivia. Impressionante expressão geopolítica,” *A Defesa Nacional*, 535 (April 1959), 125, 130.

Guaporé the line continued northward past the Mamoré-Madeira junction beyond the Madeira fall line to a point equidistant between the Amazon and the Mamoré. At this spot north of the rapids of Santo Antônio on the Madeira, the frontier turned due west toward the Javary River near the base of the Andean cordillera. Continuing onward down the bed of the Javary to the Portuguese fortress of Tabatinga, the line swung eastward following the Solimões-Amazon river complex to the westernmost mouth of the Yapurá. Then, back-switching to the northwest, the boundary ran upriver before cutting overland to the Guayana watershed and the Atlantic coast. Article XV of the Treaty of San Ildefonso called for a joint boundary commission to mark the frontier, and this task it accomplished in the Plata area, but in the Amazon basin its work was frustrated by savage Indians, by dense jungle, by Portuguese obstructiveness, and by the outbreak of war with Spain during 1801. The failure to delineate the boundary prior to the Wars of Independence led to a century of litigation and caused the Spanish American republics to lose most of their Amazonian patrimony.²

Two years after the arrival of the first gum boots in Boston, Brazil declared her independence from the Portuguese motherland. By 1825 Spanish South America was free from the Bourbons, and though each nation considered itself the legitimate heir of its respective mother country, the Brazilians refused to recognize the validity of the Treaty of San Ildefonso. They also ignored Article VII of the Treaty of Amiens, which called for a return to *status quo ante bellum*, and denounced Article CV of the General Act of the Congress of Vienna. This article stipulated that Spain and Portugal as signatory powers would return *ipso jure* to their prewar limits.

Instead Brazil claimed that the war of 1801 with Spain and the failure to erect landmarks had annulled the Treaty of San Ildefonso and demanded that all territorial questions be decided on the principle of *uti possidetis de facto*. Although Bolivia considered itself heir to the Audiencia of Charcas and claimed the Upper Amazon between the Madeira and the Javary, the Foreign Office in Rio de Janeiro rejected

² José Carlos de Macedo Soares, *Fronteiras do Brasil no regime colonial* (Rio de Janeiro, 1939), 171-190, 205-206; Ramón Sotomayor Valdés, *Estudio histórico de Bolivia bajo la administración del [J]eneral D. José María de Achá* (Santiago de Chile, 1874), 341-342; Artur César Ferreira Reis, *A questão do Acre* (Manaus, 1937), 9; and Raúl Botelho Gonsálvez, *Proceso del imperialismo del Brasil* (La Paz, 1960), 128. Gordon Ireland, *Boundaries, Possessions and Conflicts in South America* (Cambridge, Mass., 1938), 40, 324; Mariano Reyes Cardona, *Cuestión de límites entre Bolivia y el Brasil, defensa de Bolivia* (Sucre, 1868), 37-39; and Rio Branco, *Questões*, V, 10.

this claim, pointing out that Bolivia too had renounced the Treaty of San Ildefonso in 1838 when a part of the Peru-Bolivian confederation. But the confederation had abrogated the Treaty of 1777 with the clear intention of reinstating the Treaty of Tordesillas. Moreover, Bolivia disclaimed this action after the confederation's collapse. None of these arguments had the slightest effect on the imperial chancellery.³

Brazilian repudiation of the Treaty of 1777 and insistence on the principle of *uti possidetis de facto* meant that only actual occupation would determine the boundaries between the two nations. Consequently Bolivia reacted by attempting to settle the virtually uninhabited frontier areas. Already in 1832 the Bolivian Congress had created the province of Otuquis and had granted a colonization concession to an Argentine citizen, Major Manuel Luis de Oliden. Bestowed in perpetuity, the Oliden concession, which comprised some forty thousand square kilometers along the upper Paraguay River, allowed for a fifty-year remission of taxes and empowered the grantee to appoint all local officials.

No matter how many rights he received, however, Oliden could carry on settlement only if communications were available. Two years later the government of Andrés Santa Cruz sought to solve this problem by offering a cash prize to any steamship master who could reach Bolivian soil by either the Amazon-Madeira or Paraná-Paraguay river routes. Yet these Atlantic arteries were closed to international traffic by Brazilian edict. In an effort to open trade routes to the sea La Paz sent General Mariano Armaza to Rio de Janeiro in 1834 armed with plenipotentiary powers to settle all outstanding navigational and territorial disputes between the two nations. The imperial regents refused to negotiate, however, on the grounds that they did not possess sufficient data to discuss the matter.⁴

Further Bolivian efforts to uphold the claim had no greater success. A decade later Major Oliden, the concessionaire of the Otuquis province, appeared in Rio bearing a map dated 1842 which indicated that large tracts of territory long occupied by Brazil lay within his domain. Moreover, Oliden attempted to peddle his concession to the British minister, Charles J. Hamilton, who declined the offer because "the

³ Reyes Cardona, *Cuestión*, 30-32, 40, 50-51; Macedo Soares, *Fronteiras*, 205-206; and Frederic W. Ganzert, "The Boundary Controversy in the Upper Amazon between Brazil, Bolivia, and Peru," *HAHR*, XIV (November 1934), 430.

⁴ Lardner Gibbon, *Exploration of the Valley of the Amazon* (Washington, 1854), 170-171; Thomas J. Page, *La Plata, the Argentine Confederation and Paraguay* (New York, 1859), 174-179; Castilhos Goycochêa, *Fronteiras e fronteiras* (São Paulo, 1943), 97; Botelho Gonsálvez, *Imperialismo*, 129; Ferreira Reis, *Acre*, 9; and Craveiro Costa, *A Conquista do Deserto Oriental* (São Paulo, 1940), 69-77.

area, aside from a few medicinal plants, contained only caoutchouc trees, which, as far as his excellency knew, had only one value, that of rubbing out pencil marks.⁵ Undaunted, Oliden then approached in turn an English syndicate, Juan Manuel de Rosas in Buenos Aires, and, through an agent, North German capitalists in Hamburg. In the German port the successful marketing of gum boots from the Johan Nepomuk Reithofer works in Vienna had aroused interest in rubber lands, and Oliden's agent found enough capital to establish a firm dedicated to the exploitation of the Province of Otuquis. The scheme miscarried, however, because of disturbances in Bolivia during the *Guerra del Oriente*.⁶

Ill fate dogged similar endeavors by President José Ballivián of Bolivia. During 1844 he sent General Eusebio Guillarte and a delegation to Rio in another fruitless attempt at negotiation. He also sought to affirm Bolivian sovereignty on the eastern rimlands by creating the department of Beni and Apolobamba, by trying to open communications between the *altiplano* and the Paraguay River, by garrisoning Guajará-Mirim on the Mamoré River, and by surveying the falls of the Madeira. He even contracted with a colonization company chartered by Leopold I of Belgium for the settlement of European immigrants on one million acres of Bolivian soil. But after Ballivián's overthrow in 1847 all of these projects were abandoned. Bolivia lapsed into such disorder that in 1851 when Brazil sent Duarte de Ponte Ribeiro to the Pacific republics to settle the frontier question, he could not even open negotiations in Bolivia. Thus the Brazilian-Bolivian boundary dispute remained unsettled for the next twelve years.⁷

The expanding rubber trade, however, knew no boundaries. Whether La Paz and Rio de Janeiro negotiated or not, the world's

⁵ Cláudio de Araujo Lima, *Plácido de Castro* (São Paulo, 1952), 87.

⁶ Botelho Gosálvez, *Imperialismo*, 129; Goycochêa, *Fronteiras*, 96-99; Araujo Lima, *Plácido*, 86-87; Castilhos Goycochêa, *O espírito militar na questão acreana* (Rio de Janeiro, 1941), 98-99; and K. Mammier, *The Science of Rubber* (New York, 1934), 4-6.

⁷ José Manuel Cortez, *Ensayo sobre la historia de Bolivia* (Sucre, 1861), 179-182; Vicente G. Quesada, *Historia diplomática latino americana* (Buenos Aires, 1918-1920), III, 226; Gibbon, *Exploration*, 134, 228; *El Redactor*, La Paz, No. 26, October 30, 1868, Anexo No. 2; Felipe Lopes Netto to João Lustosa da Cunha Paranaguá, Conselheiro de Estado, Legação Imperial, La Paz, October 30, 1868, Seção Central No. 2, MDB 211/2/1, Arquivo Histórico de Ministério das Relações Exteriores, Itamarati, Rio de Janeiro (hereinafter cited as AHMRE); Anexo No. 2, Leonel M. de Alencar to Pedro Luiz Pereira de Souza, Conselheiro de Estado, Legação Imperial, La Paz, January 28, 1881, 1ª Seção, No. 6, 1881, MDB 211/2/5, AHMRE; Hélio Vianna, *História diplomática do Brasil* (Rio de Janeiro, 1958), 157; and Virgílio Corrêa Filho, *As raízes de Matto Grosso* (São Paulo, 1926), IV, 128.

consumption of gum elastic continued to increase. Moreover, Brazil could afford to wait. Time favored the empire, which controlled the whole lower valley and the mouth of the Amazon. For this reason, the Brazilian port of Belém do Pará, originally drawing on the nearby *seringais* of Marajó and Gurupá, took the early lead as the Amazonian *entrepôt* for India-rubber. By 1851 gum elastic accounted for almost half of Belém's total exports. But Pará's monopoly was short lived, for ruthless tapping destroyed the adjacent stands of rubber trees, and the expanding market pushed the *seringueiros* far up the Amazon.⁸

The year 1852 saw the first *seringal* on the River Purus. Five years later, forty drought-driven families arrived from Ceará. They were the first of a human wave which was to inundate the valleys of the Purus, Jururá, and Madeira, for as the lower and middle stands of rubber trees were destroyed, the *seringueiros* of Marajó, Gurupá, Santarem, and Óbidos plunged ever deeper into the Amazon basin. By 1873 their numbers had risen to over four thousand in the Purus alone. These gatherers no longer looked to Belém as a market for the rubber but to nearby Manaus, capital of the newly created state of Amazonas. Centrally located with its radial rivers, Purus, Negro, and Madeira, which were soon served by the Amazon Steam Navigation Company, Manaus became the hub of the rubber regions of Brazil.

The Amazon drains not only Brazil, however, but Bolivia as well through its tributaries, the Madeira and the Mamoré.⁹ In 1864 the first Bolivian rubber was taken out by way of these two rivers, which were to be Bolivia's rubber outlet to the Atlantic.¹⁰ But two major obstacles lay across this route—the cataracts of the Madeira and the implacable foreign policy of Brazil.¹¹

In 1863 negotiations opened in Oruro between Brazilian Minister João da Costa Rêgo Monteiro and Bolivia's foreign minister, Rafael Bustillo. Hopes ran high in the *altiplano* for settlement of the eastern boundary dispute. It was a matter of life or death to Bolivia, whose principal centers of population were cut off from the

⁸ William Lewis Herndon, *Exploration of the Valley of the Amazon* (Washington, 1853), 330-332, 352-353; and Artur César Ferreira Reis, *O seringal e o seringueiro* (Rio de Janeiro, 1953), 57.

⁹ *Ibid.*, 32-35; Anyda Marchant, *Viscount Mauá and the Empire of Brazil* (Berkeley, 1965), 110; and Alberto de Faria, *Mauá* (Rio de Janeiro, 1926), 211-212.

¹⁰ William Lytle Schurz, *Bolivia: A Commercial and Industrial Handbook* (Washington, 1921), 169.

¹¹ Gibbon, *Exploration*, 231-232, 301-302.

Pacific by a wall of mountains and by an expansive and aggressive Chile. Seeking to open up maritime communication with the Atlantic by way of the Beni and Pilcomayo, the Bolivian government had decreed free navigation of these rivers as early as 1853. Dom Pedro's government demanded, however, that the principle of *uti possidetis de facto* serve as a basis for discussions. Rêgo Monteiro further rejected Bustillo's demands for evacuation of the west bank of the Paraguay River which Brazil had long occupied in defiance of the Treaty of San Ildefonso. Rebuffed, Rêgo Monteiro asked for his passports and returned to Rio de Janeiro.¹²

The tumult of Bolivian politics in 1864 soon brought a new government to power, that of General José Mariano Melgarejo, and Melgarejo, whatever his other vices, was a realist when it came to appraising a power struggle. He was aware that Brazilian *seringueiros* were already advancing up the Madeira, Purus, and Juruá rivers to penetrate into Bolivian territory and that the Bolivian counterdrive downriver from Santa Cruz de la Sierra had met with Brazilian resistance. Still hoping to secure an Atlantic outlet for Bolivia, Melgarejo opened negotiations once more with the empire.¹³

Discussions in La Paz between Brazilian envoy Felipe López Netto and Bolivian Chancellor Duarte Muñoz lasted less than a month, and on March 27, 1867 a "Treaty of Friendship, Limits, Navigation, and Extradition" was signed. Following the principle established in the Brazilian-Peruvian Treaty of 1851, the Bolivian government agreed to accept *uti possidetis de facto* as the basis for territorial adjustments and thereby renounced a total of 300,000 square kilometers. About 251,000 square kilometers of this territory was in the Upper Amazon, where the east-west line of 1777 running from below the falls of the Madeira at 6° 52' 15" S. to the Javary

¹² Quesada, *Historia diplomática*, III, 227-230; Teixeira Soares, *Diplomacia do Império no Rio da Prata* (Rio de Janeiro, 1955), 258-259; Horace H. Miller, United States Chargé d'Affaires, to Edward Everett, Secretary of State, La Paz, January 29, 1853, in William R. Manning (ed.), *Diplomatic Correspondence of the United States: Inter-American Affairs, 1831-1860* (Washington, 1932), II, 20-22; Humberto Vázquez Machicado and José de Mesa y Teresa Gisbert, *Manual de historia de Bolivia* (La Paz, 1958), 352; Valdés, *Estudio*, 338-346; and Rafael Bustillo, *Exposición que el ciudadano Rafael Bustillo antiguo Ministro de Relaciones Exteriores de Bolivia, hace de su conducta como plenipotenciario en el negociado sobre límites con el Brasil en 1863* (Sucre, 1868), 9-29.

¹³ Ferreira Reis, *Acre*, 10-11; Hernando Sanabria Fernández, *En busca de Eldorado* (Santa Cruz de la Sierra, Bolivia, 1958), 37-44; José Moreira Brandão Castelo Branco, *Descobrimento das terras da região acreana* (Rio de Janeiro, 1960), 20-41; and George E. Church, *The Route to Bolivia via the River Amazon: A report to the Governments of Bolivia and Brazil* (London, 1877), 27.

was replaced by an oblique line starting at 10° 20' S. at the junction of the Beni and Mamoré rivers and angling northwest to the source of the Javary. The Andean republic also suffered losses on the west bank of the Paraguay. In return Melgarejo gained clear title to five river ports on the Paraguay River, free navigation through Brazilian territory to the Atlantic, exclusive navigation of the Madeira above the falls at Santo Antônio, and use of any road around the falls of the Madeira. Brazil granted free entry to Bolivian warships in all rivers qualified for the entry of merchant vessels, though insisting upon a numerical limit for warships admitted to affluents of the Amazon.¹⁴

It is true that the Treaty of 1867 cost Bolivia extensive territory. But much of it was already in Brazilian possession, and President Melgarejo may have feared that the large imperial army attacking neighboring Paraguay might be used to enforce Brazilian claims. Melgarejo, moreover, had gained clear title to Upper Acre and the coveted ports on the Paraguay River. Most of all he had apparently realized the Bolivian dream of an Atlantic outlet. One route followed the Madeira to the Amazon and the equatorial Atlantic; the other led down the Paraguay River to La Plata and the open sea. Seizing the opportunity provided by the treaty, Melgarejo initiated a colonization project in the Upper Acre which would insure Bolivian hegemony. And to make the Madeira route to the Atlantic a reality he sent the head of the Bolivian legation in Mexico, General Quintin Quevedo, to New York to commence negotiations for the opening of communications around the falls of the Madeira.¹⁵

Acting upon the recommendation of the President of Mexico, Benito Juárez, General Quevedo sought out George E. Church upon arriving in New York. Church, a Civil War hero and a former colonel in the United States Engineers, accepted Quevedo's proposals and embarked for La Paz. There, Church¹⁶

found the Government extremely alive to the importance of the enterprise, and the enthusiasm exhibited caused [him] to look lightly upon the fact that the problem to be solved was unique. The canal or railway, to avoid the falls of the Madeira, was to pass through a virgin forest in the heart of a vast

¹⁴ Ganzert, "Controversy," *HAHR*, 431-433; H. A. Moulin, "L'affaire du territoire d'Acre," *Revue Generale de Droit International*, Paris, XI (1904), 156; Rio Branco, *Questões*, V, 10-13; Botelho Gonsálvez, *Imperialismo*, 129; Reyes Cardona, *Cuestión*, 44-45; and Ireland, *Boundaries*, 41-43, 125.

¹⁵ Church, *Route*, 5, 27; and Quesada, *Historia diplomática*, II, 241-245.

¹⁶ Church, *Route*, 6.

continent, far removed from population or resources, and the right to construct it still had to be obtained from the Empire of Brazil.

The National Bolivian Navigation Company was duly chartered and granted to Colonel Church on August 27, 1868. Bolivia further agreed to underwrite a loan of from £1,500,000 to £2,000,000 for the project and to secure permission from Brazil. Though Melgarejo's agents failed to gain imperial consent, Church was undaunted. He journeyed to Rio de Janeiro, gained an audience with Dom Pedro II, and in 1870 won a charter to construct a railway around the falls of the Madeira. It appeared not only that Bolivia's northern route to the Atlantic through the Alto Acre would soon be open, but that Melgarejo would attract colonists to the spot to reap the benefits.¹⁷

While Church was negotiating with the Brazilians, the Bolivian government initiated discussions with another American, Azanel D. Piper, regarding a chartered company to colonize Upper Acre. Piper knew the region, for he had explored the entire seventeen-hundred-mile course of the Purus River in 1867. He obtained an agreement from Bolivia whereby, in return for special privileges and concessions, he would undertake to bring thousands of settlers into the area between the Brazilian frontier and the twelfth parallel south. Incorporated in San Francisco, California on January 25, 1870, the Colonization and Commercial Company of Bolivia under Piper's direction issued shares and attempted to attract pioneers who were willing to brave the wilds of Upper Acre. A few hardy souls did venture forth but dispersed soon after their arrival in Manaus. Nonetheless Piper persevered. During the years 1873 and 1874 he explored the Acre, and at the fork of the Chandless and Purus he even laid out a town. But he never had an opportunity to implement his plans, for in 1871 Melgarejo had fallen from power, and with the tyrant's passing the project lapsed.¹⁸

Though the fall of Melgarejo also shook the financial structure of the Bolivian National Navigation Company, Colonel Church attempted

¹⁷ *Ibid.*, 5, 10-11, 27; George E. Church, *Aborigines of South America* (London, 1912), xvi-xvii; and Compañía Colonizadora y Comercial de Bolivia, *Bolivian Colonization: being a Prospectus of the Colonization and Commercial Co. of Bolivia* (San Francisco, 1870), 6-22.

¹⁸ *Ibid.*, 14-15; José Mariano Melgarejo, *Mensaje presidencial a las Cámaras Legislativas de 1870* (La Paz, 1870), art. IV; Eduardo Callado to Manoel Francisco Corrêa, Conselheiro de Estado, Legação Imperial, La Paz, July 31, 1871, 1ª Secção, No. 11, MDB 211/2/2, AHMRE; Manuel Pablo Villanueva, *Fronteras de Loreto* (Lima, 1902), 35; and José Moreira Brandão Castelo Branco, "Peruanos na Região Acreana," *Revista do Instituto Histórico e Geográfico Brasileiro*, 244 (July-September 1959), 188.

to carry on. He mapped the route around the falls of the Madeira, drafted plans, ordered material and equipment, and floated loans in London and New York. But with the change in the political situation in Bolivia and with internal troubles in the Pacific coast commercial houses, the entire project became entangled in litigation. Ardently supported by Dom Pedro's government to the end, Church did manage to lay a few miles of track south from San Antônio, but the legal snarl proved more of a problem than the jungle creepers, and the project was abandoned. Meanwhile the Brazilian *seringueiros* continued to push their way upriver into Bolivian territory.¹⁹

In 1878, the same year that Church discontinued his efforts on the Madeira, a severe drought struck the Brazilian state of Ceará. During that year alone over 54,000 people migrated into the Amazon territory. The rubber industry was booming, and these drought-stricken immigrants found ready employment. Seeking untapped stands they worked ever farther up the Purus and Juruá rivers, where they met with Bolivians in the employ of the Orton Rubber Company and the Casa Suárez, the two commercial houses dominating the Bolivian rubber trade. Both the Bolivian *gomeros* and the Brazilian *seringueiros* exported their produce through the rapidly growing port of Manaus, by now the rubber capital of the world. The trade from the Alto Acre, one of the richest rubber-producing regions in Amazonia, added to the wealth and luster of Manaus, for the "white gold," although of Bolivian origin, cleared through imperial customs and paid Brazilian duties.²⁰

This matter was of small import in 1878, however, for Bolivian crude production was confined to the Beni and amounted to only

¹⁹ Church, *Route*, 20-132; Church, *Aborígenes*, xvii-xviii; Mariano Baptista, *Memoria que el Ministro de Relaciones Exteriores presenta a la Asamblea Ordinaria de 1874* (Sucre, 1874), Primer Anexo; Anexo No. 2, Leonel M. de Alencar to Visconde de Caravellas, Conselheiro de Estado, Sucre, September 20, 1874, Central-Reservado No. 40, MDB 211/2/3, AHMRE; Juan Francisco Velarde, *La Empresa Church en sus relaciones con Bolivia y sus complicaciones en Europa* (Cochabamba, 1874), 1-22; and Leonel M. de Alencar to Carlos Leoncio de Carvalho, Conselheiro de Estado, Legação Imperial, La Paz, February 21, 1878, 1ª Secção, No. 3, MDB 211/2/4, AHMRE.

²⁰ Eduardo Callado to Manoel Francisco Corrêia, Conselheiro de Estado, Tacana, November 2, 1872, 1ª Secção, No. 15, MDB 211/2/2, AHMRE; Leonel M. de Alencar to Visconde de Caravellas, Conselheiro de Estado, Legação Imperial, La Paz, July 10, 1873, 1ª Secção, No. 8, MDB 211/2/2, AHMRE; Costa, *Conquista*, 98-102; Price, *Amazing Amazon*, 148-153; Sanabria Fernández, *Eldorado*, 55-79; Afonso de Carvalho, *Rio Branco* (Rio de Janeiro, 1945), 156-160; José Moreira Brandão Castelo Branco, "Acreania," *Revista do Instituto Histórico e Geográfico Brasileiro*, 240 (July-September 1958), 67-83; and Ciro Torres López, *Las maravillosas tierras del Acre* (La Paz, 1930), 227-229, 319.

twenty-six tons. But world demand was rising; moreover, the Brazilians had already broken trail to the mouth of the Acre River. The politicians in Bolivia, consequently, began to look with concern toward their northeastern frontiers.²¹

Even prior to the crucial year of 1878 the Bolivian government had commissioned two United States citizens, James Orton and Edwin Heath, to explore the promising rubber country of the northern Beni. While they found valuable stands, the expedition eventually proved fatal to Orton and injurious to Heath when they were forced to cut their way westward from the Beni to Lake Titicaca after being deserted by their guards and bearers.²²

Whatever the dangers and hardships the rubber wealth in the eastern lowlands represented potential revenue to the Andean republic. Bolivian sovereignty in the *Oriente* was tenuous, however, and La Paz sought to solve both problems by chartering a company for the development and administration of nearly the entire region east of the Andes between the Acre in the north and the Bermejo River in the south—a total area of 751,530 square kilometers. This was the Brabo Contract of 1880.

In return for virtual sovereignty over a tract almost twice as large as the five republics of Central America, Francisco Javier Brabo (whose company had its official seat in London) was obliged to introduce one hundred thousand colonists into the Bolivian east within ten years, to construct two railroads across the Chaco, to establish arsenals in the Beni, and to maintain armed steamers on the Mamoré. Though this gigantic scheme seemed to be directed against Brazil, it did not bring cries of protest from Rio de Janeiro, which adopted a wait-and-see attitude. Instead the legation of Bolivia's ally, Peru, repeatedly and forcefully pointed out that "colonization is a matter of conquest" and charged that Brabo had been secretly authorized to maintain a standing army. The Brazilian position proved to be the correct one, for Brabo's reception in London was cool, and the project died for want of capital.²³

²¹ Schurz, *Bolivia*, 169; and Ferreira Reis, *O seringal*, 33.

²² Dumas Malone (ed.), *Dictionary of American Biography* (New York, 1934), XIV, 64-65; and Torres López, *Maravillosas tierras*, 204-206.

²³ "Decreto del Presidente de la Republica, Narciso Campero, 17 de Octubre de 1880," Anexo No. 2, Leonel M. de Alencar to Pedro Luiz Pereira de Souza, Conselho de Estado, Legação Imperial, La Paz, October 31, 1880, Seção Central No. 20, MDB 211/2/5, AHMRE. Artículos 2, 17, 46, 50, 53 & 61, *ibid.*; Leonel M. de Alencar to Pedro Luis Pereira de Souza, Conselho de Estado, Legação Imperial, December 23, 1880, 1ª Seção, No. 25, MDB 211/2/5, AHMRE; Leonel M. de Alencar to Pedro Luiz Pereira de Souza, Legação Imperial, La Paz, January 28,

The failure of the Brabo Contract in the east coincided with military disaster in the west, where Bolivia became involved in the War of the Pacific with Chile. Loss of the littoral during this war disrupted normal channels of trade and accentuated Bolivia's need for an Atlantic outlet. Rubber baron Rómulo Suárez responded early in 1882 with a proposal to launch steamers and to erect forts on the Beni and Mamoré rivers. The Bolivian Congress moved to complement the Suárez project by approving a treaty tendered by the imperial Chancellery, which granted the Andean republic transit rights over any railroad constructed around the falls of the Madeira.

Bolivia's rising expectations for the east were further heightened by reports from Rio de Janeiro that Dom Pedro had reopened negotiations with Colonel Church. Confirmation of these rumors came from the United States minister in La Paz, and the elated President Belisario Salinas proclaimed the welcome news to the landlocked republic. Optimistic plans were drawn up for linking the *altiplano* with the approaching railhead. Numerous small rubber stations were set up by the Bolivians along the Beni and Mamoré. For 1882 had been a prosperous year for the rubber industry. The price per pound had averaged one dollar and four cents, and expectations that the boom would continue were apparently confirmed with a further price rise in 1883.

Yet at the moment of greatest expectations the Bolivian hopes were dashed by word that the Brazilian government had denounced the Treaty of 1867.²⁴ In July 1883 the Brazilian minister in La Paz received instructions indicating that the Empire regarded the "Treaty

1881, 1ª Secção, No. 4, MDB 211/2/5, AHMRE; and Anexos 1 and 2, Leonel M. de Alencar to Pedro Luiz Pereira de Souza, Conselheiro de Estado, Legação Imperial, January 28, 1881, 1ª Secção, No. 6, MDB 211/2/5, AHMRE.

²⁴ João Duarte de Ponte Ribeiro to Felipe Franco de Sá, Conselheiro de Estado, Legação Imperial, La Paz, July 27, 1882, Central No.1-Reservado, MDB 211/2/5, AHMRE; João Duarte de Ponte Ribeiro to Felipe Franco de Sá, Legação Imperial, La Paz, August 8, 1882, 2ª Secção, No. 5, MDB 211/2/5, AHMRE; João Duarte de Ponte Ribeiro to Lourenço Cavalcanti de Albuquerque, Conselheiro de Estado, Legação Imperial, La Paz, August 31, 1882, Central No. 4-Reservado, MDB 211/2/5, AHMRE; Anexo 11, *ibid.*; João Duarte de Ponte Ribeiro to Lourenço Cavalcanti de Albuquerque, Conselheiro de Estado, Legação Imperial, La Paz, November 12, 1882, 2ª Secção, No. 7, MDB 211/2/5, AHMRE; João Duarte de Ponte Ribeiro to Lourenço Cavalcanti de Albuquerque, Conselheiro de Estado, Legação Imperial, December 7, 1882, Central No. 9-Reservado, MDB 211/2/5, AHMRE; João Duarte de Ponte Ribeiro to Lourenço de Albuquerque, Conselheiro de Estado, Legação Imperial, La Paz, June 24, 1883, MDB 211/2/6, AHMRE; John M. Ball, *Reclaimed Rubber* (New York, 1947), 206; and J. M. Cardoso Oliveira (ed.), *Actos diplomáticos do Brasil* (Rio de Janeiro, 1912), II, 112. João Duarte de Ponte Ribeiro to Francisco de Carvalho Soares Brandão, Conselheiro de Estado, Legação Imperial, La Paz, September 6, 1883, 2ª Secção, No. 13, MDB 211/2/6, AHMRE.

of Friendship, Limits, Navigation, and Extradition," as a dead letter, excepting the articles relating to boundaries. Dead too, were Bolivia's immediate plans for an outlet to the sea, for although new treaties were negotiated in 1887 and 1896, the Brazilian Congress refused ratification.²⁵ Bolivian rubber, consequently, had no special egress rights through the Brazilian Amazon. Moreover, the production along the Beni was hit by floods in 1886 and further damaged by subsequent outbreaks of marsh fever. But in the long run, international intrigue, floods, and fevers could merely check, not halt the expanding rubber trade. Only twenty-six years after the first shipment down the Madeira, Bolivian exports had touched a total of nearly 300 tons. Production continued to increase until 1902 when Bolivia and Brazil were brought to the brink of war by a conflict over the control of the large rubber-producing area of the Acre.²⁶

Though the Alto Acre lay well within the territory claimed by the Spanish, Bolivian sovereignty there had been only nominal. To be sure, the government at La Paz created a *Delegación Nacional del Río Purus y Madre de Dios* in 1890, and Congress proposed to establish a customs house at the junction of the Acre and Purus (a project which the Brazilian minister described as "curious"). The government also granted extensive *gomales* to foreigners in the Acre basin and even dispatched regulars to the Beni in 1893. These actions were not enough, however, for by 1898 between 15,000 and 60,000 Brazilians had moved into the Acre Territory, and the boundary between Brazil and Bolivia was once again in dispute.²⁷

The Treaty of 1867 had fixed the frontier from the confluence of the Beni and Mamoré rivers to the source of the Javary. Seven years later a mixed commission located the source at 7° 01' 17" south latitude and 74° 08' 27" longitude west of Greenwich. Cries of protest im-

²⁵ *Ibid.*; João Duarte de Ponte Ribeiro to Francisco de Carvalho Soares Brandão, Legação Imperial, September 13, 1883, 1ª Secção, No. 14, MDB 211/2/6, AHMRE; and Cardoso de Oliveira, *Actos diplomáticos*, II, 119, 142, 234.

²⁶ Schurz, *Bolivia*, 169, 176; C. A. Vianna de Lima to Quintino Bocayuva, Ministro de Estado, Legação do Brasil, La Paz, November 7, 1890, 1ª Secção, No. 34, MDB 211/2/7, AHMRE; and Itiberé da Cunha to Custódio José de Mello, Ministro de Estado [interino], Legação do Brasil, La Paz, June 22, 1893, 3ª Secção, No. 6, MDB 211/2/7, AHMRE.

²⁷ *Ibid.*; C. A. Vianna de Lima to Quintino Bocayuva, Ministro de Estado, Legação do Brasil, La Paz, October 24, 1890, 1ª Secção, No. 24, MDB 211/2/7, AHMRE; C. A. Vianna de Lima to Quintino Bocayuva, Ministro de Estado, Legação do Brasil, La Paz, November 7, 1890, 1ª Secção, No. 31, MDB 211/2/7, AHMRE; Itiberé da Cunha to Custódio José de Mello, Ministro de Estado [interino], Legação do Brasil, La Paz, June 9, 1893, 3ª Secção, No. 5, MDB 211/2/7, AHMRE; Afonso de Carvalho, *Rio Branco*, 156-160; Castelo Branco, "Acreania," 67-83; and Ferreira Reis, *O seringal*, 41.

mediately arose from Brazil. Imperial geographers claimed that the Treaty of 1867 intended that the boundary should run due west from the junction of the Beni and Mamoré along the parallel 10° 20' S. if the source of the Javary did not extend south of this line. The Brazilian government, however, accepted the joint commission's report, and it was so marked by another Brazilian-Bolivian boundary party in 1895. But two years later the Brazilian state of Amazonas, inspired by reports that the source of the Javary lay much further to the south, commissioned a naval officer, Cunha Gómez, to resurvey the line. Cunha Gómez gave his opinion that the marker should be located some 1400 yards farther south and that Brazil had lost over 1200 square kilometers of territory. Accordingly, the Brazilian Foreign Office requested rectification. Bolivia agreed, and a new protocol of 1899 fixed the boundary at 7° 06' 55" S. and 73° 47' 30" W.²⁸

Even this settlement failed to satisfy all Brazilians. Rumbles of discontent emanated from Manaus and Pará, the two principal beneficiaries of the growing rubber industry, and voices were raised calling for establishment of a parallel frontier at 10° 20' S. Bolivia reacted by ordering troops from the Beni front to proceed to the Xapuri and by dispatching Francisco Vellarde up the Amazon to erect a customs house on the Acre River. However, the *seringueiro* militia compelled the Bolivian infantry to withdraw, and the governor of Amazonas detained Vellarde at Manaus on the ground that the area was still in litigation.²⁹

Repulse of the regulars and Vellarde's failure aroused the Bolivian government. A telegram from La Paz, dated December 23, 1898, ordered the Bolivian minister to Brazil, José Paravicini, to undertake personally the establishment of a toll station in the Acre Territory. The Foreign Office in Rio de Janeiro wired the governor of Amazonas to grant Paravicini free transit. Unhindered, Paravicini then proceeded up the Amazon and the Purus to the River Acre where on January 3, 1899, he completed his mission by founding a customs house

²⁸ Ganzert, "Controversy," 433-435; Tosta, "Bolivia," 125; Gregorio Thaumaturgo de Azevedo, *O Acre, limites com a Bolívia; artigos publicado n'a Imprensa, 1900-1901* (Rio de Janeiro, 1901), 29-30; Ferreira Reis, *Acre*, 14-17; João Lúcio d'Azevedo, *Brasil-Bolívia. Incidente Acre-boliviano* (Pará, 1899), 18-25; "Mr. Setchell's Statement in Respect to the Acre Boundary," *The Acre Territory: Documents concerning the Controversy between Brazil and Bolivia made with American citizens* (n.p., n.d.), 37-38; Fernando Antônio Raja Gabaglia, *As Fronteiras do Brasil* (Rio de Janeiro, 1916), 272-275; and Emilio Fernández, *La campaña del Acre (1900-1901)* (Buenos Aires, 1903), 7-26.

²⁹ *Ibid.*, 28-29; J. Ferreira Sobrinho, "História do Acre," *Revista do Instituto Geográfico e Histórico do Amazonas*, 39 (1933), 4-5; and Benjamín Azcui, *Resumen histórico de la campaña del Acre, 1899-1903* (La Paz, 1925), 12-14.

on the left bank of the river at Puerto Alonso or Puerto Acre some seven miles upriver from the Brazilian hamlet of Caquetá.³⁰

The sight of the Bolivian tricolor floating over Puerto Acre enraged the Amazonians. It had been raised before a sullen crowd of *seringueiros*, and efforts by the Bolivian chief of customs to impose a head tax on the Brazilians and a thirty percent export duty on all rubber provoked the striking of the Bolivian colors on May 1, 1899. The *acreanos*, led by a native of Ceará, José Carvalho, deposed the Bolivian authorities and declared for Brazil. The battle for Acre was on.³¹

Carvalho received active support from the Brazilian authorities across the frontier at Antimary, for the state of Amazonas was alarmed at the drop in revenue resulting from loss of Acre. In 1899 Acre supplied sixty percent of all the rubber produced in the Amazon, and Manaus was determined not to lose its monopoly of the lucrative rubber trade. The customs house at Pará refused to recognize as Bolivian the rubber already embarked at Puerto Acre, and in Manaus Governor José Cardoso Ramalho Junior of Amazonas prepared to take direct action. An expedition, armed and supported by the state governor and led by a Spanish adventurer, Luis Gálvez, took a ship at Manaus for Puerto Acre. Disembarking in the disputed area, Gálvez proclaimed on July 14, 1899, the Independent Republic of Acre in the hope that the federal government of Brazil would recognize the new nation and eventually annex it.

Faced with Bolivian protests, however, the new republican government of Brazil declined to grant recognition. Unabashed, Gálvez assumed the presidency of the Republic of Acre, appointed the Brazilian consul in Puerto Acre Minister of the Treasury, commissioned numerous *seringueiros* as colonels in the militia, and proclaimed the parallel at 10° 20' S. as the new nation's southern boundary. As provisional president, Gálvez further decreed a twenty percent *ad valorem* duty on rubber exports, and, awaiting the day when he would have the necessary force to collect the duty, embargoed all shipments. These two moves by Gálvez offended his associates in Manaus who had expected to continue collecting the tariff. Steamer captains from Manaus finding their cargoes impounded in Puerto Acre engineered a bloodless revolution and replaced Gálvez with a second provisional

³⁰ *Ibid.*, 14-15; Fernández, *Campaña*, 28; Ganzert, "Controversy," 165; Ferreira Reis, *Acre*, 17; and Costa, *Conquista*, 161-162.

³¹ Ferreira Reis, *Acre*, 17; Costa, *Conquista*, 133; and Sanabria Fernández, *Eldorado*, 82.

president, Souza Braga, a rich *seringueiro* who immediately lifted the embargo on rubber shipments.³²

Luis Gálvez returned to Manaus in the spring of 1900 aboard the Brazilian naval cutter *Juthay* which had been dispatched to Puerto Acre at the request of the Bolivian government. There he received 6900 contos do reis from Governor Ramalho—payment, according to a Bolivian historian, in exchange for incriminating documents in the possession of the Spanish adventurer.³³ Ramalho, condemned by La Paz as a filibuster and under heavy pressure from the federal government to liquidate the Acre affair, now sought to disclaim any part in the establishment of the independent republic.³⁴

Though the republic still lived, its days were numbered, for the new president of Bolivia, José Manuel Pando, an explorer and former member of the Bolivian-Brazilian Joint Boundary Commission, brought to the office of chief executive an intimate knowledge of the Acre. Determined to crush the revolt, President Pando dispatched three hundred troops of the line under the command of Colonel Andrés S. Muñoz to the rebellious province. After a two-month descent from the *altiplano* the Muñoz expedition arrived at Riberalta at the confluence of the Madre de Dios and the Beni. Resting and awaiting news of a maritime force which had been dispatched up the Amazon, Muñoz remained in Riberalta until February 1900 when he learned that Governor Ramalho had halted the ships at Manaus. Muñoz then declared martial law in Acre and prepared to pacify the area by force of arms.³⁵

Boarding steam launches at Riberalta in the closing days of April 1900, the Muñoz expedition set out to affirm Bolivian sovereignty in the Acre Territory. The flotilla steered down the Madre de Dios to the mouth of the Orton and up the Orton to Mercedes, a clearing in the jungle where a *gomeiro* had a group of huts. Muñoz set up a base camp at Mercedes and proceeded to open up a military trail through the dense forest to the River Abunã. This engineering feat cost two months of arduous labor, and in the interval disease and short rations decimated the battalion. Finally on July 8 the march began. In order to surprise the *acreanos* the Bolivians did not break trail onward from Abunã. Therefore, they did not reach the banks of the

³² Ferreira Reis, *Acre*, 17-18; Costa, *Conquista*, 109, 127-141; and Fernández, *Campaña*, 29-35, 49.

³³ *Ibid.*, 32; and Sanabria Fernández, *Eldorado*, 82-85.

³⁴ Ferreira Reis, *Acre*, 17; Costa, *Conquista*, 109, 127-141; and Fernández, *Campaña*, 29-35, 49.

³⁵ *Ibid.*, 35, 49, 50, 52.

Acre until July 22. The *seringueiros*, stunned at the arrival of a regular army unit, offered only light resistance. Working downstream, Muñoz pacified the region and occupied Puerto Acre two months later. Muñoz' epic march had ended in triumph, but trouble developing at Manaus would soon further test the members of his expedition.³⁶

When Brazilian newspapers in Pará and Manaus called for the liberation of Acre, the new governor of Amazonas, Silverio Nery, responded with military force. Armed with artillery and machine guns from the Amazonian police, a second filibustering column formed in Manaus—a "Poet's Expedition" including students, professionals, and adventurers of all kinds. Proceeding to the frontier these swash-bucklers set up headquarters at Caquetá a few miles downstream from Puerto Acre. Here they blockaded the river, hoping to starve Puerto Acre into submission. But Muñoz, although on short rations, had received reinforcements from the *altiplano*. Two relief columns, one under the command of Vice President Lucio Pérez Velasco and another under Minister of War Ismael Montes, had followed the trail broken by Muñoz and brought supplies and more men. Convinced that the area was secure, Velasco and Montes freed the captive leaders of the Acre Republic, but now the arrival of the "Poet's Expedition" again stirred the *seringueiros* into action.³⁷

Rifle fire shattered the dawn of December 12, 1900. Sharpshooters hidden in the dense foliage encircling the encampment of Colonel Montes' battalion *Independencia* at Riozinho shot down the sentries and attempted to rush the startled regulars. The highlanders rallied, however, and scattered the assailants with heavy casualties, allowing them to flee unpursued. Riozinho was secure for Bolivia. Meanwhile the blockade continued downriver at Puerto Acre, where, decimated by beri-beri, malaria, and malnutrition, the garrison grimly held on. A showdown was in the offing, however, for the filibustering expedition at Caquetá was racked with dissension, and the blockaded river captains, chafing at the delay in loading Acre rubber, pressed for a decision. On December 24 the "Poet's Expedition" attacked Puerto Acre. It was a disaster for Brazilian arms. Beaten off with severe losses, the filibusters fled, abandoning machine guns and cannon in their retreat. Five days later steamers reached Puerto Acre. The blockade was broken; the Acre was Bolivian.³⁸

³⁶ Fernández, *Campaña*, 69-92, 103-104, 123; Carvalho, *Rio Branco*, 164; and Costa, *Conquista*, 146.

³⁷ *Ibid.*, 148-152; Fernández, *Campaña*, 129, 156; and Augusto César Lopes Gonçalves, *O Amazonas* (New York, 1904), iv-v.

³⁸ Costa, *Conquista*, 153; Fernández, *Campaña*, 152-174; Ferreira Reis, *Acre*, 21; and Carvalho, *Rio Branco*, 165-166.

The year 1900 closed with the disputed Acre Territory firmly under the tricolor of Bolivia. The conflict for control of the rich rubber-producing area appeared to be at an end. Vice President Velasco and Minister of War Montes returned to the *altiplano* with the battalion *Independencia*. The Mixed Demarcation Commission verified the source of the Javary, and a peaceful settlement of the Acre question seemed assured. But in mid-1901 the Bolivian minister in London signed a contract which provoked a political storm that carried away Bolivia's hard-won conquest.³⁹

Acting within Bolivia's sovereign and constitutional rights and aspiring to entrench its hegemony in the Acre, President Pando negotiated a colonization and development contract with a group of international financiers. The Bolivian Syndicate or Aramayo Contract, as legislated by the Bolivian Congress on December 20, 1901, provided for a thirty-year lease of the Acre Territory and chartered the syndicate with a capital of £5 million, of which twenty-five percent was reserved for Brazilian nationals. The contract also authorized the the syndicate to administer the Upper Acre, collect all taxes,⁴⁰ establish police, sanitation, and other public services, and to construct railroads, wharves and other communication facilities. In addition the Bolivian Syndicate held the option of purchasing at ten centavos per hectare all or part of the Acre region.

News of this agreement aroused a storm of protest in Brazil. Charges of Anglo-American imperialism seemed to be substantiated by the fact that a friend and a cousin of Theodore Roosevelt—Frederick Willingford Whitridge and William Emlen Roosevelt respectively—headed the corporation. Despite the stipulation that the rights granted to the Bolivian Syndicate were not transferable to a foreign power, Brazil alleged that the contract would condemn South America to the same colonial position as Africa where the introduction of chartered companies had led to subsequent occupation by European powers. Tension ran high in Rio de Janeiro, and war loomed with Bolivia. But President Pando remained unmoved and in August 1902 stoutly declared to the Bolivian Congress his intention of carrying out the contract.⁴¹

³⁹ Fernández, *Campaña*, 181-184; Carvalho, *Rio Branco*, 166-167; Moulin, "L'affaire," 155-157; Ferreira Reis, *Acre*, 22; Raja Gabaglia, *Fronteiras*, 275; Ireland, *Boundaries*, 45; and Bolivia, Ministerio de Relaciones Exteriores, *La verdad sobre el contrato de arrendamiento del Acre* (Valparaiso, 1902), 5-6.

⁴⁰ Reserving 40 percent for amortization and delivering 60 percent of the revenues to the Bolivian government.

⁴¹ Moulin, "L'affaire," 157-159; Carvalho, *Rio Branco*, 167-168; Ferreira Reis,

Brazil replied to Pando's speech by closing the Amazon to all Bolivian commerce and by warning foreign investors through its ministers in London, Paris, and Berlin that control of the Acre was in dispute. In the end, though politicians issued pronouncements and governments exchanged diplomatic notes, the issue was resolved by the people of Acre. On August 7, 1902, Plácido de Castro, a native of Rio Grande do Sul and a hero of the Brazilian Revolution of 1893, expelled the Bolivian authorities at Xapuri and reproclaimed the independence of the Republic of Acre. Castro was well financed and supplied by Governor Nery of Amazonas, who for months had been organizing an underground movement. Within three weeks a force of Bolivian *gomeros* was routed at Santa Cruz, and the plantation fell to the insurgents. With the upper reaches of the Acre firmly in hand and with most of the Bolivians resident in the area fleeing toward the Orton, Castro moved downriver and attempted to surprise the Bolivian outpost at Volta da Empresa. There he was defeated. Retreating southward, Castro paused to reorganize the army of the Republic of Acre. With four fresh battalions he reopened his attack on Volta da Empresa and after eleven days of heavy fighting received the surrender of the outnumbered Bolivian regulars on September 15, 1902.

Though the way to Puerto Acre lay open, Castro, in a lightning campaign, countermarched to Santa Rosa on the Abunã and Costa Rica on the Tahuamanu and scattered the Bolivians who were gathering for a counter-offensive. His flanks and rear secured, Castro then led the army of the Republic north again toward the capital and placed it under siege in mid-January 1903. After ten days of continuous combat Puerto Acre capitulated. In 171 days, from August 7, 1902 to January 24, 1903, the Bolivians had been driven from the Acre. It would not be regained.⁴²

The newly appointed Brazilian Minister of Foreign Affairs, the Baron of Rio Branco, believed the Bolivians should not be permitted

Acre, 22; Ireland, *Boundaries*, 45-47; Bolivia, Ministerio de Relaciones Exteriores, *La Verdad*, 7-16; "A Translation of the Concession in Respect of the Acre Territory Passed by the Bolivian Congress," *The Acre Territory*, 39-51; Lawrence F. Hill, *Diplomatic Relations Between the United States and Brazil* (Durham, 1932), 285-289; and Artur César Ferreira Reis, *A Amazônia e a cobiça internacional* (São Paulo, 1960), 163-164.

⁴² Ganzert, "Controversy," 435-436; Bolivia, Ministerio de Relaciones Exteriores, *La Verdad*, 7-16; Rio Branco, *Questões*, 16-20; Moulin, "L'affaire," 161-162; Costa, *Conquista*, 169-223; Carvalho, *Rio Branco*, 22-24; and Nicolás Suárez, *Anotaciones y documentos sobre la campaña del alto Acre, 1902-1903* (Barcelona, 1928), 90-162.

to reoccupy the Acre Territory. Returning to Rio de Janeiro from Berlin on December 1, 1902 to assume the leadership of the Itamarati on the invitation of the recently elected president of Brazil, Rodrigues Alves, the baron immediately undertook to settle the question in favor of Brazil. Two days after the investment of Puerto Acre by the insurgents he notified the Bolivian government that the Republic of Brazil considered the Acre Territory in litigation as far south as the parallel 10° 20' S., and that the area would be occupied by the Brazilian armed forces. President Pando replied by assuming personal command of the Bolivian army and by leading a column 1800 strong toward Acre.⁴³

Rio Branco countered by concentrating troops on the Bolivian frontier in Matto Grosso and by sending units of the fleet crowded with soldiers up the Amazon to the disputed area. Retiring before these advance units of the Brazilian army, Plácido de Castro hurled the rebel army at Puerto Rico on the Orton where President Pando's punitive expedition was concentrating. Completely invested and hard pressed by the attacking *acreanos* Puerto Rico appeared doomed, but the siege was lifted on March 27, 1903, when a Brazilian officer arrived bearing dispatches telling of a *modus vivendi* signed in La Paz the previous week. Defeated in the field by the *acreanos*, threatened with invasion by Brazil, and confronted by Rio Branco's inflexible determination to gain the Acre Territory, the Bolivians capitulated.⁴⁴

The *modus vivendi* of March 21, 1903 in turn led to the Treaty of Petrópolis of November 17, 1903, by which Bolivia lost not only the Acre Territory up to the parallel 10° 20' S. but a sizeable portion to the south down to the Acre and Abunã Rivers. Brazil gained over 191,000 square kilometers in the Alto Acre and in return granted Bolivia around 3000 square kilometers, one third of which consisted of marshland on the Paraguay River. Bolivia also received £2 million, but Brazil recovered this indemnity within three years by the revenue earned on rubber shipments from the newly won area. While Bolivia did eventually get a railway route around the Madeira falls, it was impossible to take full advantage of this Atlantic lifeline because the last gap, a bridge over the Mamoré at Villa Bella into Bolivian territory, was never completed. Besides settling the Acre question in favor

⁴³ Costa, *Conquista*, 226-237; Ferreira Reis, *Acre*, 24; Carvalho, *Rio Branco*, 173-178; and Sanabria Fernández, *Eldorado*, 86-90.

⁴⁴ Carvalho, *Rio Branco*, 178-183; Ganzert, "Controversy," 437-440; Moulin, "L'affaire," 161-166; and Ferreira Reis, *Acre*, 24.

of Brazil, the astute Rio Branco pacified the international investors by purchasing the Bolivian Syndicate's concession for £110,000.⁴⁵

In the contest with the larger and more powerful Brazil, Bolivia had proved incapable of retaining the vast Amazon territory inherited from the Spanish crown. Under the terms of the Treaty of San Ildefonso of 1777, the Audiencia of Charcas encompassed an area of over 2,373,000 square kilometers, some 439,000 square kilometers of which were located in the Acre region. In the treaties of 1867 and 1903 with Brazil, Bolivia, the successor to Charcas, had lost all. Despite the efforts of Ballivián, Melgarejo, and Pando, who tried to open up and colonize the area, Bolivia had been forced to relinquish all title to its rubber-rich northern territories. The industrial world's hunger for rubber, the principle of *uti possidetis de facto*, the restless push of *seringueiros*, the expansiveness of Brazilian nationalism, and the adroit diplomacy of Rio Branco all combined against Bolivia's dream of greatness. In the end, the rich and extensive Acre brought to Bolivia nothing but defeat and despair.

⁴⁵ Ireland, *Boundaries*, 47-49; Raja Gabaglia, *Fronteiras*, 277; Rio Branco, *Questões*, V, 3-30; "Treaty between Brazil and Bolivia terminating the dispute over the Acre Territory, signed November 17, 1903," *The American Journal of International Law*, I (1907), 416-423, and José Maria Bello, *História da República*, 5th ed. (São Paulo, 1964), 230.