Pombal and the Jews: Sebastião José de Carvalho e Melo’s Views on Judaism, Jews, and New Christians

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Abstract

This article analyzes the views of Sebastião José de Carvalho e Melo regarding Jews and New Christians based on his experience as an envoy extraordinary at the British court (1738-1744), where he came into contact with members of the Jewish community in London. It also examines the evolution of Carvalho’s perspectives over time, taking into consideration his account of the Jewish intervention in the Brazilian diamond trade, written in 1777. Finally, the article considers whether Carvalho’s understanding of the Jewish and New Christian questions influenced the law that abolished the distinction between New and Old Christians in 1773.

Keywords

New Christians, London, Trade, Diplomacy, Anti-Jewish stereotypes

Resumo

Este artigo analisa a visão de Sebastião José de Carvalho e Melo sobre os judeus e os cristãos-novos, partindo da sua experiência como enviado extraordinário na corte britânica (1738-1744), período durante o qual estabeleceu contacto com membros da comunidade judaica de Londres. Outro ponto avaliado é a evolução dessa perspectiva ao longo do tempo, tendo em particular consideração a sua abordagem sobre a intervenção judaica no comércio dos diamantes do Brasil patente na “Deducção Compendiosa” escrita de 1777. Por fim, este artigo questiona até que ponto a percepção de Carvalho sobre a questão judaica e os cristãos-novos influenciou a lei que aboliu a distinção entre cristãos-novos e cristãos-velhos em 1773.

Palavras-chave

Cristãos-novos, Londres, Comércio, Diplomacia, Estereótipos anti-judaicos

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In his *Sephardim: Or, the History of the Jews of Spain and Portugal* (1841), the future British consul in Jerusalem, James Finn (1806-1872), described the abrogation by Sebastião José de Carvalho e Melo (known from 1770 onwards as the Marquis de Pombal) of the legal distinction between New and Old Christians in Portugal on May 25, 1773 as a bold measure taken by the “powerful” minister. Indeed, Finn classified it as one of “the redeeming acts of Pombal’s administration for which Brazil and Portugal have still reason to bless his name, and none of his acts drew upon him more outrageous calumny and abuse.” Finn was referring here to the accusations against Pombal of supposedly hidden motives behind his ending of this legal discrimination aimed at the descendants of Jewish converts. On the one hand, it was claimed that the minister was bribed by wealthy Jews; and, on the other hand, that he was a New Christian, or even a secret Jew who had been circumcised in Holland (Finn, 1841:438-40). These rumors were not a product of the British writer’s imagination. In fact, they dated back to the time of the 1773 law and gained wider currency after Pombal’s removal from the post of Secretary of State for Home Affairs (*Secretário de Estado dos Negócios do Reino*) in 1777.

The idea that the law of May 25, 1773 was related to Pombal’s supposed empathy with the Jewish people (or, at least, with their money) formed the basis of these rumors. As Finn’s words show, this idea survived Pombal and became rooted in the historiography. At its core, it was based on the identification between the “Jewish question” and the “New Christian question.” João Lúcio de Azevedo, for example, found it “curious” that Pombal’s early writings should describe a supposedly octopus-like Jewish influence in world trade, a “judgment on the proscribed race formed by the same man who would later rehabilitate it to its homeland” (Azevedo, 1911: 22). With his mention of the “rehabilitation” of the “proscribed race,” the author was referring to the 1773 law. Azevedo directly related the New Christians freed from institutionalized segregation with the Diaspora Jews. This kind of association has led to interpretations of the abolition of the distinction between New and Old Christians as an Enlightenment-inspired measure, and even evidence of Pombal’s benign sensibility with regard to Jews and Judaism. Francisco José Calazans Falcon framed the 1773 law as one of the “enlightened practices” of Pombal’s government (Falcon, 1982: 403). Kenneth Maxwell put it hand in hand with other measures that were seen as ‘the very embodiment of the Enlightenment’ in Portugal, such as the abolition of slavery in the kingdom (except the colonies), or the ‘outlawing of discrimination against Amerindians in Portuguese America and Asians in Portuguese India’ (Maxwell, 1995: 17-19). Also based on the 1773 law, José Barreto even questioned the sincerity of Carvalho’s ‘anti-Jewish assaults’
in the letters he wrote in his early career, when he was a diplomat in London (Barreto, 1986: XLVIII).

In a more recent study, Jorge Pedreira stressed that the law of May 25, 1773, should not be interpreted as ‘an expression of racial and religious tolerance’, but should instead be seen in keeping with Pombal’s mercantilist conceptions of state and policy. The abolition of the New Christian status—a source of infamy, in particular for those who lived from trading—was an essential step towards the consolidation of a strong national merchant group and, consequently, an increase in the Portuguese economy’s competitiveness. Thus, according to Pedreira, the ‘New Christian question’ was for Pombal essentially a political problem (Pedreira, 2016). From this perspective, it seems that Pombal’s elimination of the distinction between New and Old Christians was not necessarily related to his feelings or opinions about Jews and Judaism. We should, therefore, rethink the nature of these feelings and perspectives, and resist making the assumption that they were directly expressed in the law of May 25, 1773. The re-examination of this problem constitutes the core element of this article.

In particular, I will consider an early moment of Sebastião José de Carvalho e Melo’s career, which some authors have considered pivotal in the formation of his economic thought, but which was also crucial in shaping his views on the Jewish question: his mission as an envoy extraordinary of the Portuguese Crown in London from 1738 to 1744. Indeed, London was where, for the first time, Carvalho had an opportunity to make direct contact with Jews and to experience life in a country where both they and their religion were tolerated. Some episodes from this period have been considered both as evidence of Carvalho’s anti-Jewish views (for instance, his letters addressing conspiracy theories about the influence of Jewish trade networks) and as proof of his affinity with and interest in Jews and Judaism (for instance, his acquaintance with some members of the Jewish community in London, or his research into matters relating to Judaism). In this article, I will analyze these episodes in detail and question if they did indeed reflect contradictory positions. Firstly, I will approach Carvalho’s proximity to three Jewish figures during his missions in London and Vienna—Francis Salvador, Jacob de Castro Sarmento and Diego de Aguilar—the evolution of these relationships and the mutual interests that moved them. In order to explore how such connections influenced his perspective on the subject of Jews and Judaism, I will analyze Carvalho’s London writings, in which he directly addressed this topic. I will

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first examine a report that Carvalho compiled, at the behest of his superiors, on the Jewish religion, literature, and people. Secondly, I will consider letters that Carvalho sent to Lisbon describing a project devised by a Portuguese Jew living in London to establish a new colony in South America. Finally, I will explore the changes and continuities in Carvalho’s understanding of the “Jewish question,” showing how his views were influenced by centuries-old anti-Jewish prejudices and stereotypes. Here, I will pay special attention to a short text on the diamond business, which he wrote in 1777, toward the end of his life. I argue that this text, which places the blame for the difficulties encountered in introducing Brazilian diamonds into European markets on Jewish merchants, reveals anti-Jewish prejudices that were present throughout Carvalho’s life, and that recognizing these prejudices can help us better understand the law that ended the distinction between New and Old Christians in 1773.

1. The Jewish Acquaintances of Sebastião José de Carvalho e Melo

In 1738, Sebastião José de Carvalho e Melo arrived in London to assume the first diplomatic mission of his life. He was appointed to replace Marco António de Azevedo Coutinho, who had taken up the position of Secretary of State of Foreign Affairs and War. Following the example of his predecessors, Coutinho had entrusted his finances and his health to Portuguese Jews settled in the city. The lack of potential Portuguese Catholic agents living in Great Britain at the time, on the one hand, and the high social and economic connections, wealth, and expertise of the London Jewish elite, on the other hand, had led Coutinho and the diplomats who preceded him to seek help and advice from Portuguese Jews despite their religious differences. This connection between Portuguese Jews and diplomats outside Portugal was not, in fact, uncommon, and had a parallel in other missions (Israel, 1984; Herrero Sánchez, 2016; Wilke, 2016).

Such was the scenario that Carvalho encountered when he arrived in London. Faced with the challenges of his mission, he did not break with these previous liaisons and, like his predecessors, used them to fulfill his objectives. In this section, I will focus on the three Jewish figures who, according to his correspondence, were closest to Carvalho during his missions in London and Vienna.
1.1. Francis Salvador

One of Carvalho’s first missions in London consisted in securing military support for the protection of Portuguese possessions in India. The Marathas’ hostility towards the northern province of the Esteio da Índia had reached its peak in the mid-1730s. In April 1737, the attacks on the island of Salsette began, and the Fort of Thane was conquered. Although the British Crown had tended to opt for a neutral position in the territory, in order to protect its trade interests, the Anglo-Portuguese alliance contemplated providing support for the defense of the territories belonging to the allied country. In addition, the Maratha offensives against the northern province were also a potential threat to Bombay, which had been under British sovereignty since 1665 (Nobre, 2015).

Carvalho sought to secure British military support for the rescue of Salsette through the East India Company. To achieve this aim, he needed an intermediary to help him in the negotiations, and he found this in a Jewish businessman: Francis Salvador. Salvador belonged to a Portuguese Jewish family from Amsterdam that had settled in London around the 1670s (Wolf, 1962-7:104). His uncle, Jacob Salvador, formed a commercial firm that became one of the greatest Jewish importers of gold to Britain in the first decades of the eighteenth century. The Salvadors also enjoyed particularly active commercial relations with Spain and Portugal and their colonies, as well as in the diamond and coral trade (Vanneste, 2011:149-58).

Shortly after Carvalho’s arrival in London, he was visited by Francis Salvador. Salvador was a kind of informal agent of the Portuguese diplomatic representation in London. Marco António de Azevedo Coutinho was a regular visitor to his home, where the envoy could gather information, collect correspondence, obtain loans, or simply enjoy supper in the company of the Salvador family. When Salvador visited Carvalho, he would have expected this role to continue under the auspices of the new envoy extraordinary. Carvalho’s first impressions on meeting Salvador were not positive—the Jewish merchant seemed more attracted to the wealth and religious freedom he enjoyed in England than to maintaining his remote Portuguese roots. When Carvalho returned the visit, he confirmed his belief that Salvador shared the interests of the East India Company—he had made a fortune in the

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3 According to Gedalia Yogev, the houses of Salvador and Medina (both Jewish families) sold nearly 75% of the gold bought by the Bank of England from Jewish merchants between 1710 and 1724. In 1714-20, the share of the Medina and Salvador firms in the loans granted by the Bank of England and secured by gold amounted to more than 80% of the total value of loans to Jewish merchants (Yogev, 1978: 54, 335-336).

4 It is possible to find evidence of this relationship in Coutinho’s correspondence with Lisbon. See some examples in Academia das Ciências de Lisboa (ACiL), Série Azul, cod. 175, fls. 223, 232v.
Indian diamonds trade—and that he was “instructed” by its directors.\(^5\) This impression led the Portuguese Secretary of State for the Navy and Overseas Affairs, António Guedes Pereira, to question Carvalho on Salvador’s suitability for the role of the “emissary” of Portuguese interests in negotiations with the company.\(^6\) However, several months passed and his growing acquaintance with Salvador convinced Carvalho that “he was the best way for me to perceive the Company’s ideas” and persuade its directors, particularly if he found that the interests of the Portuguese Crown matched his own, “without other nobler feelings, which I do not see being adopted very easily here.”\(^7\)

The negotiations lasted for months, without ever achieving the clear support of the East India Company. In the meantime, the pressure on the Portuguese possessions in India increased. In May 1739, the Marathas conquered Salsette and Bassein. Now Carvalho turned once more to Salvador’s mediation, this time in order to arrange maritime support. In February 1740, the warship *Cumberland*, which the Jewish merchant had purchased on behalf of the Portuguese Crown, set sail for Macau.\(^8\)

Salvador’s intervention during the Salsette crisis was to prove crucial in changing Carvalho’s opinion of him. From then on, the envoy would seek his assistance for other services, in particular to obtain loans. Therefore, when Carvalho decided to move the diplomatic residence to a new house in Audley Street and to build a new chapel, he turned to Salvador to obtain the funds he needed for both projects. It was Salvador who concluded the lease contract for the new residence and paid the deposit and the first rents to the landlord. However, almost one year after the signing of the contract, he had not yet been reimbursed.\(^9\) The debt grew when Salvador loaned money to start the works on the new chapel of the legation’s residence, a project valued at more than one thousand pounds.\(^10\) The works were successively delayed, as well as the payment of the debt. This situation was nothing new. Delays in sending payments from Lisbon and a general lack of money were chronic problems of the Portuguese diplomatic missions, and provoked bitter reactions on

\(^5\) The British Library (BL), Add. MS 20798, fols. 15v-18 (Carvalho to António Guedes Pereira. London, November 21, 1738).

\(^6\) BL, Add. MS 20800, fl. 19v (Guedes Pereira to Carvalho. Lisbon, January 3, 1739).

\(^7\) “me pareceu que ele era o melhor meio de eu perceber as ideias da Companhia referida [...] ainda sem outros sentimentos mais nobres, os quais não vejo aqui adoptar muito facilmente.” BL, Add. MS 20798, fl. 86v (Carvalho to Guedes Pereira. London, January 20, 1739).

\(^8\) BL, Add. MS 20796, fl. 16-16v, 20 (Carvalho to Cardeal da Mota. London, February 16 and 23, 1740). See also Vanneste (2015: 87-8).

\(^9\) Ibid., fl. 131 (Carvalho to Azevedo Coutinho. London, November 26, 1740); Biblioteca Nacional de Portugal (BNP), Coleção Pombalina, cod. 656, fols. 283v-284v (Carvalho to Azevedo Coutinho. London, November 14, 1741).

\(^10\) BL, Add. MS 20800, fl. 345 (Carvalho to Azevedo Coutinho. London, February 20, 1743).
the part of creditors (Faria, 2008: 93-5). Despite his long-lasting relationship with the Portuguese diplomats, Salvador was forced to react with greater assertiveness in order to recover his money. He addressed his complaints directly to Lisbon, by writing to his old acquaintance Marco António de Azevedo Coutinho.\(^1\) When this avenue proved unsuccessful, he increased the pressure on Francisco Caetano, who had taken over as chargé d’affaires in London after Carvalho had been appointed to the diplomatic mission in Vienna in 1745. Salvador’s harassment bothered Caetano, a feeling he clearly expressed in his letters to Carvalho. At one point, Caetano even told Carvalho that he had “strong reasons to believe that Salvador was disloyal” to him and to the Portuguese Crown.\(^2\) It is not known to what extent Caetano’s opinions undermined Carvalho’s trust of Salvador. However, the fact remains that, in the following years, other circumstances were to contribute toward Carvalho’s distrust of the Jewish merchant and his son in particular, as we shall see below.

\section*{1.2. Jacob de Castro Sarmento}

In 1742, the Portuguese Jew and London-based physician Jacob de Castro Sarmento dedicated his translation of Stephen Hales’ work on the cure for kidney stones discovered by Joanna Stephens to Sebastião José de Carvalho e Melo.\(^3\) For the second time, Sarmento dedicated a work to a Portuguese diplomat. Previously, he had dedicated the first part of his book \textit{Materia Medica} (London, 1735) to Marco António de Azevedo Coutinho. In the dedication, Sarmento recalled that Carvalho was the person who “approved of the first thought that I had of writing” this book, as a useful contribution to the good of the Portuguese nation. In addition, Sarmento recognized that, by addressing his book to such a reputable diplomat, he would make it “more worthy of the acceptance of our compatriots” and shield it from the criticism of those “who could consider it idle to read a book whose subject is nothing more than the invention of a woman” (Sarmento, 1742: v-vi).\(^4\)

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\(^1\) BL, Add. MS 20800, ffs. 344-344v (Azevedo Coutinho to Carvalho. Lisbon, December 3, 1744).

\(^2\) “Sou obrigado, porém, a dizer a Vossa Excelência que tenho razões fortíssimas para crer que Salvador não é leal a Vossa Excelência nem à nossa corte.” BL, Add MS 20797, fl. 159 (Francisco Caetano to Carvalho. London, July 1, 1746). See also, in the same codex, ffs. 178v, 192-3, 247, 257, passim. Salvador was reimbursed only in 1747, after the English merchant John Bristow had made a loan to the Portuguese Crown. Vanneste (2015: 88).


\(^4\) “a haver V. S. approvado o primeiro pensamento, que eu tive de escrevela; sendo de opiniam, /vi que faria serviço à Patria […] Tambem o hir authorizada com o Illustre Nome de V. S. a fará mais digna da aceitaçam dos nossos Nacionaes. Assim se armará nobrement contra a prevençam de alguns professores, que tenham por ociosa a applicaçam a hum Livro, cujo assumpto nao he mais, que o Invento de huma Mulher.”
At this time, Sarmento was the physician of the Portuguese legation in London. He had arrived in England in 1721 and started serving the envoy extraordinary António Galvão de Castelo Branco in 1729 after the death of the latter’s former physician, Isaac de Sequeira Samuda, also a Portuguese exile (Vieira, 2014: 144). In fact, the tradition of New Christian/Jewish physicians working for the Portuguese legation in London dated back to Dr. Fernão Mendes, to whom Dom Luís da Cunha had entrusted the care of his health since the early 1700s. Like his predecessors, Sarmento was not only a physician, but also an adviser and a scientific intermediary. He gave assistance in finding and purchasing scientific books and instruments that were ordered from Lisbon, and he shared his expertise and learning with the aim of introducing new scientific methods and theories in Portugal, assuming the role of a go-between for Portuguese science in British scientific circles (Barnett, 1978-1980; Pinto, 2015: 23-32). After 1730, Sarmento became a fellow of the Royal Society and, as such, he was responsible both for disseminating Portuguese scientific achievements abroad (particularly astronomical observations) and for promoting the admission of other compatriots into the society. One of these compatriots was Carvalho, who was made a fellow on May 15, 1740. The arguments presented for his election were simple:

Sebastiam Joseph de Carvalho e Mello, councillor to his Majesty the King of Portugal, his Envoy Extraordinary to his Britanick Majesty, a member of the Royal Academy of Portugal, well versed in Natural Knowledge, and all Polite Litterature, is desirous to be admitted a Fellow of this Learned Society, and we, under written, do recommend him as a person well qualified and one who may prove a worthy correspondent to the Society to promote the useful subjects of our institution.

Three other fellows of the Royal Society joined Sarmento in this proposal, among them the president himself, Hans Sloane. In this period, the Royal Society was not only one

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15 Luís da Cunha’s correspondence is full of references to Dr. Fernão Mendes, for instance: ANTT, MNE, liv. 779, fts. 308-9; 372-372v.
17 Marco António de Azevedo Coutinho (elected on 5/6/1736), António Freire de Andrade (5/16/1749), Joaquim José Fidalgo da Silveira (10/31/1751), and Martinho de Melo e Castro (4/21/1757) were the other Portuguese diplomats in London proposed by Sarmento as fellows of the Royal Society.
18 The Royal Society, EC/1740/02, available online at https://collections.royalsociety.org/DServe.exe?dsqIni=Dserve.ini&dsqApp=Archive&dsqDb=Catalog&dsqSearch=RefNo==%27EC%2F1740%2F02%27&dsqCmd=Show.tcl
of the main stages of European science, but also a fellowship of “gentlemen-scholars” as well as a vehicle of social legitimization whose doors were open to renowned politicians and diplomats (Shapin, 1991: 295-6; Sorrenson, 1996: 33-6). Becoming a fellow of the Royal Society brought with it high international status and recognition, and Sarmento was in a position to offer this boon to Carvalho.

For his part, Sarmento was not above using the envoy’s gratitude and the influence he had gained from his years in the service of the Portuguese legation to his own benefit. A paradigmatic episode occurred in 1742, when some of his assets were confiscated by commissaries of the parish of St. Katherine Coleman in the City of London, where he resided, because of unpaid parish taxes. Sarmento claimed that, as an officer of the Portuguese legation, he was exempt from such payments due to his diplomatic immunity. Indeed, four years earlier, he had already been exempted from paying parish taxes due to the intercession of Azevedo Coutinho.19 In 1742, Sarmento was once again using his influence within the Portuguese legation to assert his supposed rights.20 In a letter to the British Prime Minister, the Duke of Newcastle, Carvalho rebuked the attitude of the parish of St. Katherine Coleman’s commissaries against “mon officier” and demanded that they should be punished for “violating the common laws of all nations.”21 Carvalho’s letter proved effective and, over the following few months, the case was resolved in favor of Sarmento, with the Duke of Newcastle himself addressing his apologies to the Portuguese envoy for the conduct of the commissaries.22 In fact, this case was nothing more than a storm in a teacup. If we look at the assets that were then confiscated (dishes, plates, pans, pots, candlesticks, etc.23), it is clear that the debt was not so large that Sarmento could not have repaid it easily. However, the physician wanted to make a statement with his claim: he was part of the Portuguese legation and he should be treated as such. Carvalho’s endorsement of his claims revealed the high value that the Portuguese diplomats placed on Sarmento and the services he provided.

Some years later, when Carvalho had already returned to Portugal and become the Secretary of State for Foreign Affairs, Sarmento would once again evoke this bond to achieve personal goals. On September 11, 1750, he concluded a letter to Carvalho by reminding him

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19 The National Archives (TNA), SP 100/40, fl. 66 (Coutinho to the Duke of Newcastle. London, April 26, 1738). In 1738, Sarmento lived in the parish of St. Mary Axe.
20 BL, Add MS 20799, fols. 90-107.
21 “violer les loix communes à toutes les Nations.” TNA, SP 100/41, unpaginated codex (Carvalho to Newcastle. London, September 8, 1742).
23 TNA, SP 100/41, unpaginated codex (Order by William Weaving).
that he “had left in London a good and faithful servant,” whom he could forever rely on.\textsuperscript{24} In this letter, he asked Carvalho to grant a royal privilege to his “Waters of England” (\textit{Águas de Inglaterra}), a quinine-based medicine on the basis of which Sarmento had set up a flourishing business. However, Sarmento’s medicine faced two obstacles that hampered its establishment in the Portuguese market: the wide circulation of counterfeit versions and the competition of a similar medicine created by Dr. Fernão Mendes and then commercialized by his sons (Dias, 2012). In his letter to Carvalho, Sarmento stressed that, besides his “waters” being of proven superior quality compared to their direct competitors, the service he had voluntarily rendered to the progress of Portuguese science and education through his medical works deserved the reward of a tax-exemption for the medicines he exported to Portugal. Sarmento’s request was successful, and on September 14, 1752, his “waters” were awarded a tax-exemption for a period of six years (Sarmento, 1757: 156). However, he was less successful in eliminating competition. Over the following years, and despite the efforts of the diplomats in London, the Portuguese court and the king himself continued to prefer Dr. Mendes’ “waters” to those of Sarmento.\textsuperscript{25} This fact did not weaken the physician’s relationship with the Portuguese authorities and, in particular, with Carvalho. His works and opinions continued to reach Lisbon and to be highly considered by the secretary of state.\textsuperscript{26}

1.3. The Baron of Aguilar

Before returning to Portugal, Carvalho was an envoy extraordinary in Vienna from 1745 to 1749. There, he enjoyed a close relationship with the Viennese social elite, and among his illustrious acquaintances was a Portuguese “court Jew,” the Baron of Aguilar (Correia, 1965: 83).

Diego de Aguilar,\textsuperscript{27} alias Diogo Lopes Pereira, was a former New Christian who had fled from Portugal in the early 1720s after having been imprisoned for indebtedness and then falling under the threat of the Inquisition. Born in Porto, Diogo was the only son of Manuel

\textsuperscript{24} “Lembre-se Vossa Excelência que deixou em Londres um bom e fiel criado, pois não lhe faltarão ocasiões de preferir-me e empregar-me no seu serviço.” ANTT, MNE, cx. 688 (Sarmento to Carvalho. London, September 11, 1750).
\textsuperscript{25} There are several mentions of orders being placed for Dr. Mendes’ “waters” in the late 1750s in the correspondence of the envoy Martinho de Melo e Castro: ANTT, MNE, cx. 691.
\textsuperscript{26} For instance, on May 8, 1754, Sarmento wrote to Carvalho, suggesting the order of ventilators to be installed in jails, hospitals and ships in order to prevent the spread of epidemics. ANTT, MNE, cx. 688, unnumbered document.
\textsuperscript{27} In London and Vienna, the first name of Aguilar was Hispanicized to “Diego.” However, here I will use the Portuguese version of his name, considering his Portuguese background.
de Aguilar, a wealthy New Christian businessman, who was awarded the general tobacco contract in 1710.\(^{28}\) As his father died in June 1712, before the end of the three-year contract, Diogo was obliged to take it over. Disagreements with the suppliers, a shortage of liquidity, and a shortage of raw material were some of the problems that complicated the fulfillment of the contract and led to the accumulation of debts that Diogo was unable to pay. For this reason, he was imprisoned on May 22, 1713. His trial dragged on for more than three years.\(^{29}\) After this troubled early period, Aguilar rebuilt his wealth by investing in contracts with the crown and the transatlantic trade. However, the imprisonment by the Inquisition of his cousin and business agent Diogo José Ramos in 1720,\(^{30}\) and the threat of a potential accusation that could again drag him into jail, motivated his departure from Portugal. London was his first destination, but he stayed in the British capital only for a short time. He then moved to Vienna, where he administered the imperial tobacco monopoly for more than two decades and was awarded the title of Baron by the Emperor Charles VI in 1726. Held in high esteem at the Austrian court, the Baron of Aguilar became a privy councilor to the Empress Maria Theresa and, as a champion of the Jewish cause, an almost legendary foundational figure of the Sephardic community of Vienna.\(^{31}\)

While in Vienna, Aguilar remained active in Anglo-Portuguese trade through the firm Pereira & Lima, which he ran with his brother-in-law Jacob Pereira (alias Gabriel de Lima), who had settled in London (Yogev, 1978: 39-40). It was through this business network that Carvalho received his allowances after moving to Vienna. From London, Jacob Pereira sent Aguilar the money that would provide for the envoy’s livelihood and allow him to carry out his missions.\(^{32}\) The allowances from London only ceased in 1748 when Carvalho was officially replaced by António Freire de Andrade Encerrabodes as the Portuguese envoy extraordinary to the British court.\(^{33}\)

\(^{28}\) Arquivo Nacional da Torre do Tombo (ANTT), Junta da Administração do Tabaco (JAT), nç. 7 (Contrato de Manuel de Aguilar. 5 de Dezembro de 1709).

\(^{29}\) ANTT, JAT, nç. 9.

\(^{30}\) ANTT, Tribunal do Santo Ofício (TSO), Inquisição de Lisboa, proc. 1647. Diogo José Ramos’ mother, Ana Maria de Carvajal, was a sister of Branca Teresa, the wife of Manuel de Aguilar. Ramos was the father of Aaron Lopez, a Jewish merchant who settled in Newport, Rhode Island, and became one of the greatest businessmen of colonial America (Pereira, 2005). On Aaron Lopez, see, among others, Chyet (1970).

\(^{31}\) On Diogo de Aguilar, see Roth (1942: 284-285); Hyamson (1951: 102); Studemund-Halévy and Collin (2013); Stechauner (2014).

\(^{32}\) Biblioteca Nacional de Portugal (BNP), Pombalina, cod. 664, fls. 78-78v, 25v, passim.

\(^{33}\) BNP, Pombalina, cod. 664, fl. 151v (Carvalho to Caetano. Vienna, April 20, 1748). From 1744 (when Carvalho moved from London to Vienna) to 1748, Francisco Caetano took over the management of Portuguese diplomatic affairs in London, but he was never officially appointed as envoy extraordinary.
In his correspondence, Carvalho repeatedly stressed his trust in Aguilar, mentioning him as a “man of integrity and probity” and “honored and outstanding.” Even when Jacob Pereira disappointed the envoy (because of the delay in selling Carvalho’s furniture in London and shipping the money from the sale, together with his books and paperwork, to Vienna), his trust in Aguilar remained unshakable. Aguilar was his banker of choice and, due to the chronic delay in the delivery of money from Lisbon, also his greatest creditor.

Even after Carvalho had left the diplomatic mission in Vienna, Aguilar continued to provide financial services to his successors, albeit not always enjoying the same trust and fondness. In 1756, the envoy extraordinary in Vienna was Ambrósio Freire de Andrade e Castro, whose impression of Aguilar was wholly negative: he was a ‘Hebrew of birth and character, who makes impertinences and creates difficulties every month.’ Such ‘impertinences and difficulties’ resulted from the efforts to recover old debts undertaken by Aguilar and his agents in Vienna (he was back in London in 1756). In sum, exactly the same reasons that had previously undermined the reputation of Francis Salvador with Portuguese diplomats.

2. Following Orders: The “Hebrew Collection”

Carvalho was acquainted with some members of the Jewish community. But did this proximity inspire a more general interest in Judaism and the “Hebrews”? A set of annotations on Jewish subjects, with different versions currently preserved in the Pombaline collection of the National Library of Portugal and at the Public Library of Évora, has been pointed to by some scholars as evidence of a particular interest nurtured by Carvalho in matters relating to Judaism and the Jewish communities (Falcon, 1982:403-4; Pedreira, 2016:372). However, throughout these annotations, Carvalho took care to point out that his research was motivated only by a sense of duty towards his superiors rather than by any personal interest.

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34 BNP, Pombalina, cod. 603, fls. 82-82v (Carvalho to António Freire de Andrade Encerrabores. Vienna, June 1, 1748); cod. 664, fls. 239v-240 (Carvalho to Caetano. Vienna, September 25, 1748).
35 BNP, Pombalina, cod. 664, fls. 91v-93v, 177-178v (Carvalho to Caetano. Vienna, December 28, 1747, May 1, 1748).
36 See the various references to financial services rendered by Aguilar to Carvalho in ANTT, Ministério dos Negócios Estrangeiros (MNE), cx. 952, m. 3.
37 “hebreu por nascimento e gênio, que todos os meses me faz impertinências e dificuldades.” ANTT, MNE, cx. 513 (Ambrósio Freire de Andrade e Castro to Carvalho. Vienna, October 3, 1756).
38 The original but incomplete notes of Carvalho’s report are conserved in BNP, Pombalina, cod. 684. See the edition of these notes in Vieira (2015). The Public Library of Évora houses two later versions of the introduction and the first five chapters of these notes. Biblioteca Pública de Évora (BPE), cod. CVI/2-15 and cod. CIX/2-16-2.
Furthermore, he denied any sympathy with the subject of his studies, stressing this stance in unambiguously anti-Jewish language.

Carvalho had inherited this mission from his predecessor. On November 1, 1738, Azevedo Coutinho was tasked with collecting books and information relating to the Jewish religion. Bibles, Talmuds, prayer books, calendars, rabbinical treatises, sermons, and works on the Inquisition and the New Christians were all requested for Lisbon. This order was part of the plan to acquire books for the new libraries of the University of Coimbra, Mafra Palace, and, in particular, the Royal Library (Real Biblioteca), built between 1712 and 1733 in the Paço da Ribeira in Lisbon (Schwarcz, 2007:68-79; see also Tirapicos, 2017:216-8). Besides books, information was also requested about the Jews of London and especially about their relationship with the New Christians in Portugal. Therefore, it was not only scholarly interest that motivated the survey study that was commissioned from Coutinho and which Carvalho took over after his return to Portugal at the end of 1739, bringing with him a set of books that he had collected over the previous months. The Portuguese authorities also sought to obtain information about the path followed by those New Christians who had left Portugal and converted to Judaism in London, and, in particular, about the personal connections that they maintained in Portugal.

Some of Carvalho’s acquaintances in the Jewish community of London helped him to accomplish this mission. Some books were even bought by Dr. Sarmento, although Carvalho had expected that this help would be more effective. In the introduction to the first five (and the only complete) chapters of his inquiries, which he titled Hebrew Collection or compendium of various matters belonging to the present state of the Jewish nation exiled in the British kingdom and the Dutch states (Colecção hebraica ou compêndio de várias matérias pertencentes ao presente estado da Nação Judaica refugiada nos reinos da Grã-Bretanha e estados de Holanda) and which were sent to Lisbon in the Summer of 1740, he explained that he had tried to approach the Jews of London in order to gain information, but without any success. Carvalho found them both “ignorant in everything other than trade interests” and zealous in keeping the little that they knew away from non-Jewish ears. He mentioned “a pact of strict silence on religious details” and any matter that could “damage the Hebrews [i.e., the New Christians] who live in those regions where they feared the danger of the Inquisition.” For this reason, when his Jewish

39 ANTT, MNE, liv. 16, separate folio between fls. 39v-40. See also Vieira (2015: 231-3).
40 BNP, Pombalina, cod. 684, fls. 44-46v; BL, Add. MS 20801, fl. 25 (Coutinho to Carvalho. Lisbon, December 17, 1739).
41 BNP, Pombalina, cod. 684, fl. 10.
42 BL, Add. MS 20796, fl. 109v (Carvalho to Coutinho. London, August 10, 1740).
sources were able to provide him with copious information, Carvalho simply did not trust them. Therefore, he decided to focus his research on books, making his way through “the vast field of public and private libraries.”

Indeed, this bookish research is reflected in his annotations, where most of the references are from works by Christian authors, such as Johann Christoph Wolf’s *Biblia Hebraica* (Hamburg, 1715-1733), Jacques Lelong’s *Biblia Sacra* (Leipzig, 1709), or Calmet’s *Dictionnaire historique, critique, chronologique, géographique et littéral de la Bible* (Paris, 1722-1728). Jewish books are less regularly quoted, although Carvalho’s commentaries on those sent to Lisbon reveal that he had at least read some of them. For instance, he considered Isaac Athias’ explanations in his *Tesoro de Preceptos* to be “instructive and clear” (“instructivo e claro”), even when they dealt with “such an obscure matter” (“matéria tão escura”) (Vieira, 2015: 242).

Throughout his annotations, Carvalho made a point of stressing his absolute dedication to accomplishing the mission, but also the repulsion that he felt toward the matters that were the subject of his inquiries. In the letter that he sent with some books and his *Hebrew Collection* in August 1740, Carvalho warned Coutinho that “nothing that I send in these papers gives me the satisfaction of being good” since it would not be possible to find “goodness in something that is bad by nature.”

However, he was aware of the importance of his mission and, in particular, of its (more or less) hidden agenda: obtaining information on the contacts between Jews and New Christians after the greatest migratory wave to London in the 1720s and 1730s (Diamond, 1962: 40, 60; Barnett, 1971: 79-80). Carvalho listed the main books used to instruct the “ignorant Jews” (New Christians) in Spain and Portugal in the Jewish religion, namely Abraham Vaez’s *Arbol de vidas* (Amsterdam, 1692), Daniel Levi de Barrios’ *Triumpho del Gobierno Popular* (Amsterdam, 1683), and Moses de Toledo’s *Devotas advertencias y dinim de la Tephilah* (Frankfurt, 1641) (“the most diabolic book that they [the Jews] send to Portugal and Spain,” specifically written to “make all New Christians desert”) (Vieira, 2015: 260, 272).

Although he had failed to respond to the question about the Portuguese New Christians who had adhered to Judaism in London (which could be interpreted as a possible attempt to protect some Jews who fitted into this category but were close to him, such as Sarmento), Carvalho provided information on other topics relating to the relationships between the Jews

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43 “de uma crassa ignorância de tudo o que não sejam interesses do comércio”; ‘há, porém, entre eles um pacto de rígido segredo sobre os particulares da religião […] de que se possa seguir dano aos Hebreus residentes naquelas regiões em que eles receiam o perigo das Inquisições”; “vaguar pelo vasto campo das bibliotecas públicas e particulares.” BPE, cod. CVI/2-15, fls. 1-2v.

44 BL, Add. MS 20796, fls. 110v-111 (Carvalho to Azevedo Coutinho. London, August 10, 1740).
of London and the New Christians in Portugal. Based on the information he obtained from a Portuguese Jew, Jacob da Costa, he explained that the Jewish congregation of London was then so overwhelmed with poor newcomers that the fifty to sixty families of wealthy Jews who then lived in the city (Carvalho’s numbers) were not able to support the roughly 300 poor Portuguese and Spanish families that were resident there (Vieira, 2015:273). Indeed, this information is in keeping with the reports of the Congregation of Spanish and Portuguese Jews, the Sha’ar Hashamayim, after the massive migratory influxes of the 1720s and 1730s (Lieberman, 2019). However, Carvalho also mentions that the New Christians who had moved from Portugal in order “to seek refuge from the Holy Office” really expected to be supported by those who were already well-established in London. This was supposedly the main reason why they adhered to Judaism: “The poverty in which some of them arrive and the greed that rules them all force them to join what they call congregations.”

In Carvalho’s view, the New Christians who became Jews in London were motivated more by material interests (making a living, increasing their businesses, growing wealthier) than by true faith. Their knowledge about the principles of the Jewish faith was itself quite meager. After arriving in London, the newcomers were only instructed in “the rudiments of the doctrine needed to follow the ordinary prayers and fasts.” Beyond this, “religion was nothing more than an external and political pretext for usury, some of them [Jews] being Atheists and many more Deists.”

Carvalho even found an expressive example in the rabbi of the London congregation, Isaac Nieto. According to Carvalho, Nieto was a failed merchant in Gibraltar who had assumed the religious leadership of the synagogue only because he was the son of the late and highly respected rabbi (David Nieto), and whose knowledge about Jewish matters was scant, as was his “belief in the Law he professed.” These words were not accurate, since Isaac Nieto already held the Semicha (ordination) when he took the position of rabbi of the Sha’ar Hashamayim, was well versed in Jewish Law, and had been one of the founders of the first synagogue in Gibraltar in 1723 (Solomons, 1931:78-83, Appendix I; Samuel 1951:123-4). However, this image of an ill-prepared and misbelieving rabbi was strong enough to support two key ideas about the Jews of London (and the Iberian Jews in general) that Carvalho wished to convey through these annotations—their adherence to

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45 “A pobreza em que chegam alguns e a cobiça que domina em todos os obrigam a matricular-se nas que eles chamam congregas.” BPE, cod. CVI/2-15, fl. 1v.

46 “os rudimentos da doutrina indispensável para concorrer nas orações e jejuns ordinários”; “a religião não é outra cousa do que um externo e político pretexto para a usura, sendo alguns Ateus e muitos mais Deístas.” Ibid., fls. 1v-2.

47 “De algum dos do seu Rebanho, fui porem informado, de que não tem crença na Ley que profeca.” Ibid., fl. 2.
Judaism was weak and self-interested in general, and their decisions were essentially moved by greed and usury. These two ideas clearly reveal his anti-Jewish position.

Another idea was highlighted in Carvalho’s annotations: in his view, most of the New Christians in Portugal were not Catholics at heart. According to his findings, from the age of approximately thirteen, children were taught about the Jewish faith by their parents or other close relatives as well as about the ways to conceal it and how to act in the event of being arrested by the Inquisition. As secret Jews, their main hope was to escape to a country where they could live in freedom. For this reason, “there are no rich people from this nation [New Christians] in Portugal and Brazil who do not have money here [in London] and are continuously sending it here.”

From Carvalho’s perspective, the New Christians’ connection to Portugal was fragile. They were always on the verge of leaving, as wandering was part of their nature.

3. The Threatening Jewish/New Christian Networks

The same idea is visible in a letter that Carvalho sent to Lisbon on January 2, 1741:

as they consider their homeland to be where they enjoy liberty and their exile to be where they suffer punishment or submission, they seek all the advantages and interests for these places where they hope to establish themselves and where they maneuver against the others for their ruin.

Fluctuating, unreliable and potentially harmful was how he saw the loyalty of the New Christians to Portugal. Carvalho’s words did, however, have a more specific reference: the project for a British settlement in South America as conceived by a London-based Portuguese Jew, João da Costa.

The origins of this project dated back to 1726, when a vessel captained by João da Costa’s brother, António, was captured by pirates off the Brazilian coast. António da Costa and the crew were left in an apparently unknown land, which impressed him due to its promising geographic location and its fertile soil. When António returned to London, he did

48 “Não há pessoas ricas desta nação em Portugal e Brasil que aqui não tenham dinheiro e continuamente o estão mandando” (Vieira, 2015: 277).

49 “Como considerão a pátria onde gozam da liberdade, e o desterro onde têm o castigo ou a soggeição, para estas terras em que esperão stabelecer-se procurão todas as ventagens e todos os interesses, maquinando contra essas toda a ruína” (Dias, 1983: 291).
not hesitate to share the good news with his brother, who soon realized the opportunities that this discovery provided. Then, he designed a project for establishing a colony in that territory and presented it to the British government in 1732. Despite the reluctance of the British prime minister Robert Walpole, who feared that such a settlement could meet with the opposition of Spain and hinder the British trade in South America, some businessmen and aristocrats expressed an interest in implementing the project and formed a company to run it. This company included a number of Portuguese Jews, including Francis Salvador. In fact, this was not the only American venture in which Salvador was involved. At that time, he and his Jewish peers were also focusing their attention and their investments in a new British colony in Georgia. Salvador took part in the Sha’ar Hashamayim congregation’s commission, which arranged the transport of 42 Jewish settlers, who arrived in Savannah on July 11, 1733 (Stern, 1962-1963: 175-7; Barnett, 1971: 83-5). This clearly shows how the American colonies and their economic potential were already on Salvador’s radar by the early 1730s.\footnote{Salvador’s family continued to maintain links with the New World over the years. In 1755, Francis’s son, Joseph Salvador, bought 100,000 acres of land in South Carolina, where he ended his days in 1786 (Woolf, 1962-1967: 111).}

The debate about the prospective British colony in South America lasted for years after the South Sea Company joined Walpole in opposing such a move (Béthencourt, 1949). In the meantime, other international powers showed an interest in Costa’s project. The French plenipotentiary minister saw it as a potential opportunity to open a new trade route to the Pacific through Patagonia (Mapp, 2011: 290-1). However, it was the Russian imperial court that made a concrete proposal through its ambassador in London. The possibility of potential Russian support for the project gained the attention of Costa, who even planned to travel to St. Petersburg to personally negotiate its terms and conditions (Béthencourt, 1949). The proposal did not, however, move forward and Costa ended up seeking support for his project from other European courts: firstly, Madrid; and, finally, Lisbon.

The Portuguese court was not indifferent to Costa’s efforts to gain support for his project. In previous years, Azevedo Coutinho had monitored these endeavors and viewed them with some concern. The location of the territory “discovered” by Costa’s brother remained a secret, but some assumptions pointed to the northern bank of the Rio de la Plata (River Plate), at the southern extremity of the Portuguese dominions in South America.\footnote{BL, Add. MS 20941, fls. 272-275 (report by Gonçalo Manuel Galvão de Lacerda, Portuguese envoy extraordinary, in 1737).} These assumptions proved to be well founded, since the territory contemplated by Costa’s
project was situated in Lagoa dos Patos. A foreign settlement there would seriously threaten not only the Portuguese, but also the Spanish interests in the region. That “[t]he power to take possession [of that territory] could politically and compulsively close the doors of communication between Spain and most of its vassals”52 was the main argument used by Costa to convince the Portuguese Crown to lend its support to his project. Coutinho considered that this argument had been deliberately overblown, with the aim of catching the investors’ attention, but, even so, he passed Costa’s proposal on to his successor Carvalho on his return to Lisbon.53

Soon afterwards, the War of Jenkins’ Ear broke out between Spain and Britain. The idea of establishing a new British settlement on the South American coast gained fresh momentum. Costa’s project was brought back into the thoughts of the Portuguese legation in London and the letter that Carvalho sent to Lisbon on January 2, 1741 clearly reflected this. In the letter, he argued that the project could be reactivated—and this was more than a mere hypothesis. Carvalho had been informed that “one of the most remarkable Israelites [in London], who plays with me the role of the person most inclined towards our interests” had encouraged João da Costa to renew the proposal and present it once again to the British government.54 The “Israelite” in question was probably Francis Salvador, one of the first supporters of the project in the past and also Carvalho’s intermediary in his dealings with the East India Company. After all, Costa’s project represented not only the interests of British merchants but also those of the “Jewish nation.” João da Costa and his brother António were New Christians who had been persecuted by the Inquisition in Portugal and subsequently moved to London, where they adhered to Judaism.55 Some of the project’s supporters were wealthy Jews as well. This fact was a matter of serious concern for Carvalho.

The establishment of a British colony near the Portuguese dominions in South America would immediately lead to communication between the Jews who lived in London and the British Empire and the New Christians in Brazil. Not only would goods and money

52 “a potência que dele tomar possessão poderá política ou compulsivamente fechar as portas da comunicação entre a mesma Espanha e o maior número do melhor de seus vassalos.” BL, Add MS 20795, fl. 80v (“Abstract” by João da Costa).
53 BL, Add MS 20795, fl. 67.
54 “hum dos mais consideraveis israelitas, e que comigo reprezenta o papel de mais bem inclinado aos nossos interesses” (Dias, 1983: 292).
55 João da Costa was João da Costa Baredo (b. Cadis, c. 1693), who had been arrested by the Inquisition in 1714 and moved to London before 1723. His younger brother António da Costa Lopes (b. Viana do Castelo, c. 1704) was also imprisoned in 1728 and joined him in England in the early 1730s. Both were second cousins of Diogo de Aguilar, since their maternal grandmother was the daughter of Francisco Lopes Pereira, Aguilar’s grandfather. ANTT, TSO, Inquisição de Lisboa, procs. 7264 and 6540. See also Nation Between Empires, https://nationbetweenempires.wordpress.com/vindos-de-portugal/lopes-pereira/.
circulate in these Jewish-New Christian networks, but also information that should be kept secret for the sake of Portuguese interests.

As they [Jews and New Christians] are spread over all dominions and most of them enjoy power and alliances with the main people […], the result of all this is that there is no secret or interest in those countries [the British Empire] or in our own [the Portuguese Empire] that is hidden [from them], no river spring or path in the hinterland that they do not know about, no Indian or low-level person who is not disloyal or corruptible by the rewards with which they deceive them.\(^{56}\)

Carvalho was sure that Jews and New Christians would end up in alliance against the Portuguese Crown’s interests. He found an example in Spanish America, where the “Jews [i.e., *conversos*] of New Spain” maintained regular communication with the Jewish communities of Suriname, Curacao, and Jamaica.\(^{57}\) Again, Carvalho used the terms “Jew” and “New Christian” as synonyms, and he explained why. According to him, Jews have two dogmas: firstly, all descendants of Jews must observe Jewish Law; and secondly, they must live in countries where they are free to profess the Jewish religion. However, there is an exemption for this second dogma: they are allowed to stay in countries where Judaism is forbidden if they do so only temporarily and with the aim of gathering enough money to support themselves and their families before leaving. “I am informed that it is rare to find among us a man of nation [New Christian] whose eyes are not fixed on the path leading in this direction [London],” wrote Carvalho, adding that all the money they “make there [Portugal], or, rather, that they extort with artifices which they consider to be fair, even though they are detestable” was later sent to England or Holland.\(^{58}\) Significantly, Carvalho completely overlooked another factor—in fact, the most decisive one—which contributed to the departure of New Christians from Portugal: the harassment of the Inquisition. He never mentioned this as a reason for the emigration of New Christians, preferring to explain

\(^{56}\) “Achando-se, pois, espalhados por todas as conquistas e, muitos delles, com poder e aliança com as principais pessoas […], rezulta de tudo não haver segredo ou interesse naqueles payses (como nos nossos) que seja occulto, surgindo de rio ou vareda de sertão que seja ignorada, e indio ou pessoa baixa que não seja infiel e corrupta pellos premios com que os engudão” (Dias, 1983: 291-2).

\(^{57}\) “Para se comunicarem com os Judeus da Nova Espanha, têm os do Norte Surinão e as ilhas de Curaçao e da Jamaica.” BNP, Pombalina, cod. 656, fl. 12v. This extract was not published by J.S. Silva Dias (1983).

\(^{58}\) “estou assás informado de que hé raro entre nós o homem de Nação que não esteja com os olhos no caminho para estas partes […] Tudo quanto ganhão ou, antes, extorquem com artificios que elles têm por justos, sendo detestaveis, vêm nos paquetes para ficar em Inglaterra e passar a Hollanda” (Dias, 1983: 291).
their flight in terms of a supposedly innate mixture of wanderlust and greed. In his view, the *amor patriae* of both Jews and New Christians was subordinated to their personal interests, and such a fleeting loyalty made them unreliable.

### 4. Diamonds and Deceit

People change, and it is reasonable to ask if Carvalho’s views on Jews and New Christians shifted after 27 years as secretary of state, the period during which the distinction between New and Old Christians was abolished in Portugal. To address this question, I will now analyze one of his later writings, the *Dedução Compendiosa dos Contratos da Mineração dos Diamantes*, composed in 1777 after he had been removed from government. At this time, the criticism directed against Carvalho and his policies was already flourishing. *Dedução* was one of the reflections (to which he gave the title of *Inspeções* [Inspections]) in which he defended the reforms he had implemented in various sectors of the Portuguese economy (Falcon, 2005:31)—in this case, reforms relating to the mining and trading of diamonds.

We must go back in time to better understand this question. The discovery of diamonds in Brazil in the early 1730s could have represented a new and most promising source of wealth for the Portuguese empire. However, problems soon arose. The uncontrolled supply of Brazilian diamonds entering the market led to their devaluation. Contraband, keen competition, and the lack of experience in diamond mining and trade also undermined the potentially high profits of this business (Rodrigues, 1982:209-13).

However, in *Dedução*, Carvalho managed to find another culprit to blame for the Brazilian diamonds’ failure to conquer European markets: Jewish merchants. According to him, Jews had monopolized the diamond business in Europe and the Ottoman Empire for centuries, and they continued to exercise total control over the importation of Indian diamonds to the British market. This view was exaggerated but helped Carvalho to make his point: when Brazilian diamonds came to the British market in the early 1730s, Jewish merchants did everything they could to neutralize this competition and to control the prices of their own diamonds, affected by the flooding of the market with stones from Brazil. One of the strategies they found was to spread the rumor that there were no diamond mines in Brazil and that the stones introduced into the market as Brazilian diamonds were in reality

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59 According to Gedalia Yogev’s calculations, the proportion of non-Jewish importers of Indian diamonds between the 1720s and the 1760s was lower than 10% only in 1733, 1736, and 1737. Yogev (1978: 337-8, Appendix I).
from Goa (Rodrigues, 1982: 211). In 1731, Jacob de Castro Sarmento published a report in *Philosophical Transactions* on the discovery of diamond mines in Serro Frio, Brazil, in which he stressed the supposedly higher quality of these stones in comparison to Indian diamonds (Sarmento, 1731-1732: 199-201). Was this a coincidence? I do not think so. In the early 1730s, Sarmento was already close to the Portuguese legation and a reputable scientific expert. Therefore, it is not improbable that he was asked to promote Brazilian diamonds in the same way as he had previously disseminated the achievements of Portuguese astronomy. The fact that it was a Jewish physician who promoted the quality and authenticity of the Brazilian diamonds, the trading of which was supposedly being undermined by a Jewish plot, might seem paradoxical. Carvalho, however, never mentioned this contradiction. Indeed, the case of Sarmento is an excellent example of Carvalho’s tendency to compartmentalize: on the one hand, there were the “Jews” as a whole, regarded as untrustworthy people; and, on the other hand, a small group of Jewish individuals aligned with his aims, considered as reliable, and whose religious identity he deliberately overlooked.

Carvalho’s opinion of Francis Salvador had fluctuated between both sides over the years. In 1777, he saw both Francis and his son Joseph Salvador as unreliable elements. Indeed, in the *Dedução*, Francis Salvador is identified as the main driver of the “Jewish plot” against the Brazilian diamond trade. As one of the greatest diamond merchants in London, but also as the right-hand man of the Portuguese envoy Azevedo Coutinho, Salvador had been able to influence the decision of the Portuguese crown to close the Brazilian mines in 1739 (Vanneste, 2020: 21). In Carvalho’s view, Salvador seized this opportunity to put his secret agenda into practice: to cut production in the Brazilian mines so as to neutralize the competition.

Reflecting on the subsequent establishment of the monopoly of the Brazilian diamond trade in 1753, Carvalho perceived it as a subtle way of taking this business out of the hands of the “opulent and powerful Hebrews of England and Holland.” However, the supposed plan came to naught. The first Brazilian diamond trade contract was awarded to a partnership of British and Dutch merchants, whose heads were John Bristow and Herman

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60 Sarmento returned to this topic in the first part of his *Materia Medica* (London, 1735), in which he developed the information published in *Philosophical Transactions* and again highlighted the greater quality of Brazilian diamonds (pp. 152-153).

61 BNP, Pombalina, cod. 695, fl. 312v.

62 “Se os opulentos e poderosos Hebreus de Inglaterra e de Hollanda percebessem que debaixo das especies da abstracta Ley de 10 de Agosto de 1753 se occultava hum Plano, que lhes havia de arrancar [como arrancou] das maos o fertil ramo do comercio dos Diamantes” (*ibid.* 83). This statement is taken from another series of reflections by Carvalho, also written in 1777, which referred to *as Apologias* (Apologies).
Joseph Braamcamp. As friends and partners of Bristow, the “Salvadors” soon found a way to enter into the contract without relinquishing their interest in the Indian diamond trade. Francis Salvador was old and frail in health, and it was his son, Joseph Salvador, who took over the running of the family business. Carvalho’s opinion of this “young and green Salvador” was worse than the one that he had held about his father. “As much as his father was intelligent and regular in his trade, so his son is devoid of intelligence, commitment and good faith,” wrote Carvalho after Joseph Salvador allegedly plotted in several ways to safeguard his profits with Indian diamonds by damaging the Brazilian diamond trade—from attempting to ship the supplies of Brazilian stones to England and then retaining them there in order to neutralize their competition in the Dutch market, to inflating their price in order to stimulate the sale of Indian diamonds. In Carvalho’s view, Salvador was not alone in these schemes, since “it is likely that all other Hebrews from that city [London] conspire in his favor.”63 Therefore, the only solution would be to implement a kind of “religious separation” of the diamond trade:

It is absolutely essential that that the distinction that separates the Christian religion from Judaism should also apply when it comes to business affairs. The Hebrews should conduct the Asian [diamond trade] and the Christians should conduct the American one, because it is clear that all efforts will amount to nothing until, in this business, the Synagogue is separated from the Church.64

Indeed, Salvador ended up abandoning his operations in the Bristow and Braamcamp contract, not only because the Portuguese crown demanded it (Vanneste, 2020: 21), but also because Bristow’s drastic losses in Lisbon after the 1755 earthquake had dampened Salvador’s interest in his role as his business partner and agent in Portugal. Later, however, Carvalho found that Salvador continued to participate in the Brazilian diamond trade through other British agents in Lisbon.65

63 “tanto teve seo Pay de inteligente, e de regular, no seu comercio, quanto tem esse Filho de falto de inteligencia, de instancia, e de boa fé”; “a cujo favor he crivel que conspirem todos os mais Hebreus dessa Cidade.” Quotations in ANTT, MNE, liv. 120, docs. 23, 31. See other references to Salvador’s schemes in ANTT, MNE, liv. 120, docs. 10, 10A, 13. See also Vanneste (2015: 87, 89-90) and Rodrigues (1982: 217-9).

64 “É porém indispensavelmente necessário que a mesma distinção que tem a Religião Cristã da que professam os que só seguem a Lei escrita, tenha o primeiro dos ditos comércios do segundo. Façam os Hebreus o da Ásia; e façam os Cristãos o da América, porque claramente se vê que serão nulas todas as diligencias enquanto neste comércio se não separar a Sinagoga da Igreja.” ANTT, MNE, liv. 120, doc. 35.

65 ANTT, MNE, liv. 120, docs. 35, 41.
Years later, when Carvalho wrote his *Dedução Compendiosa*, he had to recognize that the Jewish merchants were not only a threat to the Brazilian diamond trade, but also an invaluable source of knowledge and experience. During his mission in London, Carvalho had contacted Jewish experts—Francis Salvador was most likely one of them—in order to learn the best strategies to run the Brazilian diamond business and to manage the main obstacles that it had to face, namely price fluctuations and market variations. This acquired know-how would be translated into a “mercantile instruction on the diamond trade” that Carvalho addressed to the Dutch consul in Portugal, Daniel Gildemeester, who contracted the monopoly in 1761. Therefore, in Carvalho’s view, the Brazilian diamond royal monopoly was established in response to the supposed Jewish control over the world diamond trade, and by appropriating and adapting their centuries-old and successful business strategies. These were two sides of the same coin that Carvalho had to admit and deal with.

**Conclusion**

Sebastião José de Carvalho e Melo’s opinions on Jews and New Christians were always marked by a contradiction: his Jewish acquaintances in London were both crucial agents and potential threats; the efforts he invested in seeking information and books on Jewish matters were accompanied by his clearly expressed disgust with regard to the research subject; and his view of Jewish/New Christian trade networks and their supposed control of some trade areas, such as the diamond business, revealed not only his concern and restraint, but also the recognition that there was a lot to be learned from Jewish rivals. Even when Carvalho, as an envoy extraordinary, turned to the Jews of London and Vienna in search of information, funding, and their “lobbying capacities,” it is hard to find in his words any sign of empathy, or even tolerance, in relation to the Jewish people in general. On the one hand, Carvalho clearly distinguished his Jewish acquaintances from “the Hebrews” as a whole. For instance, Carvalho avoided referring to Jacob de Castro Sarmento as a Jew in his letters. On the other hand, this distinction tended to be blurred whenever these acquaintances showed signs of being misaligned with his needs and expectations. Exemplary, in this regard, is the evolution of Carvalho’s perception of Francis Salvador, who changed, in Carvalho’s mind,

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68 The fact that Sarmento was probably the steadiest of Carvalho’s Jewish acquaintances could be related to the physician’s progressive detachment from the Jewish community of London, which ended with his official return to Christianity (through Anglicanism) in a late stage of his life (Goldish, 1997; Vieira, 2020).
from a suspicious Jewish intermediary who seemed to favor the interests of the East India Company into the reliable financier of the chapel's works, and finally into the greedy Jewish businessman striving to undermine the Brazilian diamond trade. Whenever Carvalho wanted to focus on Salvador’s threatening aspects, he stressed his Jewish identity, expressing centuries-old anti-Jewish prejudices.

Greed, perfidy, disloyalty, and wanderlust were stereotypes that had been attributed to the Jewish/New Christian character since medieval times (Shapiro, 1996; Niremberg, 2013; Feitler, 2015) and which were deeply embedded in Carvalho’s mind even as he received Salvador or Sarmento in his house and made use of their expertise, wealth, and connections. This is clear both in his Coleção hebraica and his correspondence with Lisbon. When he approached the subject of the influence of converso/Jewish networks in international trade and wrote about the alleged shifting loyalty of New Christians and Jews and their potential allegiances with rival powers of the Portuguese crown, he was replicating conspiratorial narratives and the notions of economic parasitism traditionally used to justify social segregation (Soyer, 2019: 230-64).

In 1777, when he wrote his Deducção Compendiosa, the notion of a “Jewish plot” against Portuguese interests (in this case, the Brazilian diamond trade) had not yet vanished from his mind. Four years earlier, he had been the Secretary of State for Home Affairs when the law that abolished the distinction between New and Old Christians was approved. Indeed, the law of May 25, 1773, was unrelated to the “Jewish question,” but instead marked the end of a separation that had divided Portuguese Christianity for centuries. However, years earlier, as an envoy extraordinary in London, Carvalho opined that New Christians who were actually good Catholics were as rare as miracles (“raros como milagres”).* At that time, he envisioned New Christians and Portuguese Jews being united not only by a common religious and ethnic background, but also by an identical character and (most threatening in his view) shared and reciprocal interests and objectives. At the same time, and again based on old anti-Jewish stereotypes, Carvalho also considered those New Christians who converted to Judaism in London as “fake Jews,” since even their Jewishness was subordinate to their material interests.

Did Carvalho change his opinion over the years? Or did he subordinate his mistrust of the New Christians to his pragmatism and sense of raison d’etat? Similar to his mentor Luís da Cunha (Cunha, 2001; 2013), Carvalho recognized that the segregation between New and Old Christians was hampering social cohesion, the international image of Portugal and, most

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* BNP, Pombalina, cod. 656, fl. 13v.
importantly, its economic development (Pedreira, 2016). Regardless of Carvalho's disgust or sympathy with regard to the New Christians, or his opinion about their innermost religious beliefs, discrimination based on blood was undoubtedly a hindrance that had to be overcome in order to achieve the goals he had set out for the kingdom. Again, just as when Carvalho had represented the Portuguese crown in London, pragmatism took precedence over the anti-Jewish prejudices and sentiments he held until the end of his life.
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