the judge found Cohen "steeped in malice" and awarded Robinson £1,000 in damages. *Reminiscences of Kimberley* was ordered to be withdrawn from the bookstores. Deprived of his income, the defendant declared bankruptcy.

For Cohen there was much worse to come. J.B.R., dissatisfied with merely ruining his accuser, brought him to court once more. This time it was to face charges of conspiracy to commit perjury with Berger. Again Cohen lost. The judge lectured him for "wickedly suborning" his witness "to tell deliberate lies, which he knew were lies . . . I should pass a more severe sentence. . . . But you are an old man, and I think I can meet the justice of the case by passing on you the same sentence as was passed on Berger . . . three years' penal servitude." Robinson retreated to his great house in Park Lane, and Cohen to the confines of his prison cell. Londoners assumed that they had seen the last of both men.

As soon as the Great War commenced, Otto Oppenheimer enlisted in the artillery and went off to France, hoping to redeem the German family in English eyes. His brothers Gustav, Louis, and Ernest continued to work in the British diamond industry, vigorously contributing to wartime charities. Bernard outdid them all. Before the conflict he had risen to full partner at Lewis and Marks, then gone on to form his own South African Diamond Corporation. Bernard had depended on the master cutters of Antwerp. But when the Kaiser's troops marched into Belgium, he made the dramatic gesture of abandoning jewels for bullets, importing "the latest and most wonderful machinery" from America and setting up a huge munitions factory in Hertfordshire. Three thousand men, most of them Belgian refugees, worked overtime. By the beginning of 1915 they were producing 10,000 shells a day. Salutes came from General Kitchener himself. "If we only had a half-dozen [like] Bernard," declared the Secretary for War, "there would never be a shell shortage on the Western Front."

If Bernard Oppenheimer had an ulterior motive, no one was unmannerly enough to mention it. Nevertheless, everyone at Whitehall knew that the German colony of South West Africa had recently posted a *Sperrgebiet*, a Forbidden Zone, along its beach. There, under close

guard, natives were crawling with shovels in their hands and gags around their mouths to prevent them from swallowing the diamonds they were prying from the sand. The Prime Minister himself had called the German diamonds "a hideous calamity for us all," a calamity that might be eliminated by this convenient and well-timed war. As if to underline those words, Bernard got a message to General Smuts, back in Africa at the head of an expeditionary force. It was known that the general and his troops were headed for German territory in Africa; Bernard Oppenheimer would give £100 each to the first four soldiers to win the Victoria Cross. The first four to become members of the Distinguished Service Order would get £50. This information was received with the appropriate gratitude and huzzahs.

Now that his brother was held in such esteem by the government and the soldiers, Ernest began to have second thoughts about South Africa. Perhaps in this new climate it would be possible to return after all. Still, Kimberley had been vicious and London was safe. . . . Then one morning a letter arrived from De Beers's management, thanking the ex-mayor for services rendered. The company wanted to reward him somehow; would Ernest make an appropriate suggestion? He would. "I want," he informed them, "to be a director of De Beers." The disdainful reply was not long in coming: "Some time ago, it was tacitly agreed not to fill any vacancies in the directorate during the war and further, when the time arrives to do so, the prior claim of others will have to be first considered."

Instead of discouraging Ernest, this seemed to prod him. He would go back after all. Not immediately, and not to the thankless precincts of Kimberley; only a masochist would attempt that. But to some locale where a man was judged by the power of his brain instead of the thickness of his accent. There he might rise again and give the lie to those who had driven him out. The notion of revenge was not unpleasant; with it one could get through many a bad night.

In London Ernest went to work on a master plan. Through his brother Louis he got to know William Lincoln Honnold, an American mining engineer. Honnold held a number of executive positions with various gold companies. Yet desk work had never truly satisfied him; he was a man of action, and at the age of 49 gave up his profitable business concerns to direct the Committee for the Relief of Belgium.

Public-spirited as he was, Honnold refused to allow good works to occupy all of his time. Before he returned to his home in the United States he explored the city and its clubs, conversing in their spacious rooms.

In Ernest Oppenheimer Honnold found his ideal listener. The young man absorbed every lecture about precious metal. Prevailing wisdom held that finding gold was just like digging diamonds; the discoveries, however large, would be isolated in discrete spots around the land. Honnold disagreed. He believed that in South Africa the deposits were connected in what amounted to a vast underground sea of gold-bearing earth, stretching from Johannesburg to the Far East Rand. The area covered more than 100 square miles.

If he was right, then almost any mine had a fabulous potential. Ernest examined Honnold's theory from every angle. It could be the musings of a crackpot American. Or it just might be the story of Barney and the blue ground, rewritten for the new century. In ordinary times an owner could test things out, order his diggers to keep shoveling until they saw the glint of ore. But these were not ordinary times.

The troubles of Consolidated Mines Selection Ltd. showed why. Ernest's employer, Dunkels, owned a sizeable portion of CMS—and so did stockholders in Germany. The wartime British press were baying for blood and gold, demanding that the government take over such "enemy" holdings. Would the company be seized as the booty of war? Or would Britain hesitate to act? Should the directors sell out now? Or should they take their chances, hold on, and wait for the shooting to stop?

Someone had to go to South Africa and assess the situation. Minutes of the CMS board note that in April 1916, "On consideration of the various schemes now in progress requiring attention on the spot, Mr. E. Oppenheimer expressed his willingness to proceed to South Africa in the company's interest and the board accepted this offer with thanks."

And so at the age of 36, less than a year after he swore never again to set foot on the ungrateful land, Ernest boarded a ship of Indian registry and set off for South Africa. The Atlantic was infested with submarines and the vessel followed a winding route across the Mediterranean, through the Suez Canal, and down the east coast of Africa

to the port of Lourenço Marques in Mozambique. From that point Ernest traveled the route used by Winston Churchill in his great escape from a Boer prison camp, rolling down to Pretoria and then on to Johannesburg.

After last year's humiliations and this winter's wet London weather, Ernest felt a reassuring warmth. No one in Johannesburg questioned his political loyalties or the fact that he was a diamond man among gold men. The company he represented was too powerful to ignore, and he was ushered into every significant office. What the executives told him was not so welcoming.

Lionel Phillips, now Sir Lionel and very much the grand seigneur with stud farm and English mansion, happened to be in Johannesburg looking after the interests of Wernher, Beit. He received Ernest Oppenheimer. So the chaps at CMS were thinking about selling off the company's gold mines, were they? The old man reminded his visitor that these were not the free-wheeling old days when investors pushed their pledges through windows and under doors. Today money men depended on researchers and technical advisors. Why, just the other day Sir Lionel's councillors had told him that time was running out for the gold fields of South Africa. In 20 years they would be depleted. If there was any precious metal in the East Rand it must lie at very deep levels, and the recovery of gold was not at all like digging up precious stones. The human cost of elevating ore to the surface—blasting, hauling, extracting—would be prohibitive. And there was this rapacious war that ate up capital while you watched. Well, he would not buy the CMS mines. And neither would anyone else in his right mind.

Ernest faced an excruciating and lonely decision. Honnold could not help him now. The American had gone back to the United States, and all he could offer was an occasional letter of advice and encouragement. Honnold agreed that the CMS properties could go one of three ways. They could be sold at a loss—in the unlikely event of a willing buyer. They could be held—but then the British government might take them over. Or—and this was the longest shot of all—Ernest, backed by CMS, could exploit the mines himself, searching for the gold that just might be within reach. According to the most conservative cal-

culations that would require an investment of close to two million pounds. There would be land to acquire, equipment to purchase, men to hire.

Ernest took some deep breaths and sent word to CMS in London: he was ready to act independently, in the spirit of Cecil Rhodes converting a liability into a resource. The directors scratched their heads; obviously they had made a mistake sending this opportunist to South Africa. The chairman was most emphatic. He and his colleagues were "not prepared to monkey about with the capital of the company."

Having been ejected from Kimberley and refused in Johannesburg, Ernest had every reason to give up, go home to May and the children, and settle into the comfortable life of a middle manager. No doubt that was what the diamond men expected when he returned to London, waiting for an appointment with the CMS directors: poor Oppenheimer, this was just not his year.

They would have been astonished at the conversation behind closed doors in the boardroom. While the whisperers went on about Ernest and his failures, the Oppenheimer brothers had worked out a secret proposal. If CMS would provide the backing, Ernest would match the company's contributions pound for pound. His price was 50 percent of any new business CMS initiated in the East Rand over the next seven years. The executives reasoned that if Ernest could attract £1 million on his own, he would be a sound risk. They decided to go along. The agreement would need a few months of analysis and probing. If everything was in order, a contract would be drawn up dating from June 8, 1917.

Very well then, CMS was set; now all Ernest needed was money —pounds and pounds of it. Useless to look for investors in London; the European conflict was bleeding the banks dry. No group in South Africa could come up with adequate funding. Only one major nation still had investors with venture capital, because it was not yet at war. Ernest began to express himself in the grand terms of Cecil Rhodes: amalgamation was the key to power. He communicated with his main contact in the United States: with vision and sufficient funds, the Eastern Rand companies could be brought into the fold. He wrote Honnold, "It does not seem too optimistic to think that we shall be

able, within a reasonable time, to bring about a willing combination of the . . . companies, which would straightaway make us the most important gold group in Johannesburg." Could Honnold put him in touch with some American capitalists?

He could. In a return message, Honnold advised Ernest to meet an American mining engineer now on his way to England. This person was more than the usual technocrat, Honnold went on. Herbert Hoover was an influential figure with broad contacts in the financial and political communities—someone definitely worth cultivating. Although Hoover's schedule was crammed with humanitarian and business meetings, he made time for Ernest. Three men shook hands in the lobby of the Savoy Hotel—Ernest had been advised to bring along a new acquaintance, the former Finance Minister of the Transvaal, Henry C. Hull. "If American capital wishes to obtain a footing in South Africa," Ernest began, "the easiest course will be to acquire an interest in our company." Hull provided assurances at every turn. It says much for their teamwork that, before the presentation ended, Hoover had already given the signal of approval. What would Mr. Oppenheimer think of bringing in J. P. Morgan as an investor?

Ernest attempted to suppress his excitement, but he could barely sit still. As soon as the men parted company he wired Honnold to proceed with the roundup of capital. Once the name of Morgan was dangled before them, other bankers fell in line. A pleasant difficulty arose: the investors wanted to know the name of this new company, and nobody had come up with one yet. The title, Ernest wrote to Honnold, ought to be one "which will make the American connection apparent, but the 'Africa' must also appear."

Back came a wire: "How about Union of South African Mines or United South African Companies? Either of which in market parlance would probably be abbreviated USA and thereby serve the purpose aimed at." Although the first name seemed "acceptable and excellent," Hull felt that the South African government would not be pleased with those initials. What about "African American Corporation Limited"? Honnold brought up the omnipresent topic of race: "*African American would suggest on this side our darkskinned fellow countrymen and possibly result in ridicule*." After some additional go-rounds, Ernest

found a name that pleased everyone: "Consider it very necessary American identity should form part of company's title. Suggest the Anglo-American Corporation of South Africa, Limited."

Next Ernest tried to get approval from the upright war hero Jan Smuts. The general's prestige would lend Anglo-American some badly needed credibility and respect. Smuts was in Britain serving on the Imperial War Cabinet. He could hardly refuse an audience to the brother of Bernard Oppenheimer, benefactor of the expeditionary forces. One day later another auspicious message went out to Honnold. "I had a private talk with General Smuts some days ago on our new company. . . . The only doubt in his mind was whether it was not a case of taking an interest in a promising business, snatching a profit, and clearing out quickly. I satisfied him that this was not the case."

There were those who wondered whether Smuts was truly satisfied. They warned Ernest that the general was first and foremost a politician, anxious to please all sides while committing to none. Besides, in a Johannesburg brimming with potential labor problems, taxes, legal technicalities, what good was the unwritten word of a statesman? They were talking to the wrong man. Ernest felt that at times like these you had to go on instinct, or you didn't belong in the game. Over all objections he saw to it that the Anglo-American Corporation of South Africa, Ltd. was officially registered on September 25, 1917.

Before the creation, writers and editors expressed some doubts. Afterward, the press amounted to a cheering section. *The Rand Daily Mail* blared the news in a headline: AMERICAN MILLIONS FOR THE RAND. *The Times* of London took a long and approving view: "The link means the beginning of a new epoch, for it is the first occasion on which a definite arrangement has been made for the employment of American capital on the Rand."

Planning for the new epoch absorbed most of the next year, and it was not until the early fall of 1918 that Ernest was ready to nail things down in Johannesburg. He boarded the *Galway Castle* on September 25, two months before the armistice. Almost every day the papers carried reports of U-boats plying the Atlantic, but not many passengers took the threat seriously. Since America's entry into the war, it was obvious that the German navy was doomed.

Two days out, at 7:40 a.m., a violent explosion nearly tore the ship

in half. An enemy torpedo had destroyed the boilers and cracked the keel. Steam rumbled and hissed through the corridors. The lights and wireless abruptly went off. Over 700 confused and terrified passengers thronged the entryways. Some of them were wounded soldiers returning from battle, lame and in several instances blind. They surged onto the crowded decks and vied for room in the damaged lifeboats. Ernest had been in his bath when the explosion occurred; all he could do was throw on shirt and trousers, clamber up the stairs, and urge the others to remain calm. When he looked out it was impossible to tell the difference between the gunmetal sky and the sea. One of the officers pushed him into a boat with seven other men and a woman, and lowered it into a chaos of water and wind.

They could count themselves lucky. Bodies floated by them, face down. Some lifeboats hit the water and broke apart. Others were swamped and disappeared. Their little craft bobbed and shuddered in high seas. Ernest's massive forearms were never more useful; he and the other rowers strained at their oars, attempting to get clear of the *Galway Castle* before she capsized and pulled them under.

By the time the wind abated they had lost sight of the ship and of the other lifeboats. Gray morning turned into sullen afternoon. Evening came on swiftly. Someone thought he saw a ship materializing on the horizon. For a moment it seemed to be an illusion, then an enemy boat cutting through the waves. As it approached they could make out the lineaments of a British destroyer. Frantically they fashioned a white flag from a handkerchief and waved it from an oar. The destroyer spotted them, pulled alongside, dropped a ladder, and plucked them from the water.

Hand over hand they ascended a rope ladder, to be received by waiting crewmen. Ernest was one of the last to come on board. An officer had been told to look for a short man with a moustache and an authoritative air.

"Mr. Ernest Oppenheimer?" he inquired.

"Yes, I am he."

"General Smuts wanted to know if you were lost or saved."

Any doubts about Ernest's importance vanished with that message. Ernest went below to sip a hot drink and put on some dry clothing. The head of Anglo-American regarded himself in the mirror with

considerable satisfaction. The reflection showed a very fortunate 37-year-old, outfitted with the secondhand jacket of a chief petty officer. It fit rather well. But Ernest knew now that if there were a uniform commensurate with his civilian status, he would have to be dressed as an admiral.

♦ ♦ ♦

DURING THE WAR YEARS only a few men seemed as concerned about South African capitalism as Ernest Oppenheimer. One of them lived in Zurich, an isle of neutrality in the midst of conflict, and in 1916 he completed his pamphlet, *Imperialism.* "I naturally suffered somewhat," V. I. Lenin was to remember, "from a shortage of French and English literature and from a serious dearth of Russian literature. However, I made use of the principal English work on imperialism, the book by J. A. Hobson, with all the care that, in my opinion, that work deserves."

John Atkinson Hobson, South African correspondent for *The Manchester Guardian,* had recently found his "opinions and feelings were beginning to move in the direction of Socialism." His book, also titled *Imperialism,* was angry, accessible, and full of big villains-just the sort of tract that Lenin would find congenial. Hobson never advocated the abolition of private enterprise, but in the Russian's view that was because he was an Englishman and therefore hobbled by tradition. No matter; the revolutionaries would enlarge upon his opinions, particularly the ones about the Boer War. Hobson regarded that conflict as the connivance of "a small confederacy of international financiers working through a kept press" in the hands of "Hebrew mining speculators."

Hobson was one of the first twentieth-century writers to promote the conspiracy theory of history. His work righteously disavowed any hint of *Judenhetze-Jew* hatred-and then pointed to "men of a single and peculiar race" who make up "the central ganglion of international capitalism." Those of the Hebrew persuasion are "united by the strongest bonds of organization, always in closest and quickest touch with one another, situated in the very heart of the business capital of every State, so far as Europe is concerned." Johannesburg was particularly objectionable. Hobson was shocked to find that "the newspapers of September 13th contained the announcement 'There will be no performance of the Empire [music hall] today by reason of the Jewish

Day of Atonement.' The Stock Exchange was also closed that day." He lashed out at those who "have behind them many centuries of financial expertise." They were in a "unique position to manipulate the policy of nations. No quick direction of capital is possible save by their consent and through their agency." In his summing up Hobson paused to offer a solution: an "international political organization" that might someday oversee "a repression of the spread of degenerate or unprogressive races."

Lenin was very impressed with all this; he particularly liked the notion of South Africa as a, capitalistic "shell which may remain in a state of decay for a fairly long period ... but which will inevitably be removed." The Russian saw to it that *Imperialism* was widely read by the young Bolsheviks. They would soon write their own words about Johannesburg, much of it secondhand and most of it ignorant. Hardly any whites, radical or reactionary, bothered to read a volume far more revealing than *Imperialism.* Its author was an eloquent young Bantu who produced *Native Life in South Af'ica* at almost the same moment that Lenin was working on his own book. Sol Plaatje plaintively attempted to reach a white audience. "Some readers may think perhaps that I have taken the Colonial Parliament rather severely to task," he explained. "But ... if you see your countrymen and country-women driven from home, their homes broken up, with no hopes of redress, on the mandate of a Government to which they had loyally paid taxation without representation-driven from their homes, because they do not want to become servants ... you would, I think, likewise find it very difficult to maintain a level head or wield a temperate pen."

Plaatje was referring to the results of the Natives Land Act, which delivered the coup de grace to English notions of democracy. The act forbade all blacks from buying or leasing any land outside designated territories known as the Reserves. Africans were henceforth forbidden to settle in areas marked for whites; they could stay there only as laborers, even though more than a million of them had been working as productive tenant farmers and sharecroppers.

The natives-two thirds of the population-would be relocated onto 22 million acres. To outsiders this seemed an enormous land grant; what it actually meant was that 65 percent of South African humanity

was being forced onto 7 percent of the country. Allegedly, the act was meant to create "parallel institutions" for blacks and whites (more familiarly known as the principle of separate but equal facilities). In General Smuts's words, the races should be kept apart "in our institutions, land ownership, in forms of government, and in many other ways. As far as possible the forms of political government will be such that each will be satisfied and developed according to his own proper lines." The principle of separate but equal facilities was a canard from the start. The truth was that the mines were drastically short of manpower. After the law was passed the natives, taken from productive farms, would be left without any means of support. The government and the Randlords were counting on that; sooner or later blacks would have to turn to the mining fields, digging up gold and diamonds.

Originally Plaatje had trusted the liberal English speakers. Now he spoke out indignantly: "If anyone had told us at the beginning that a majority of members of the Union parliament was capable of passing a law ... whose object is to prevent natives from ever rising above the position of servants to whites, we would have regarded that person as a fit subject for the lunatic asylum."

The act had swift and tragic consequences. Hardly any funds were provided for the adjustment period, and the native farm system totally collapsed. Poverty, with all its concomitants, took over. Infant mortality rose: every fifth child died in its first year. Crime became rampant. Blacks could neither go backward nor forward; their immemorial customs and common laws were shattered, yet their education was left to the ill-equipped missionary societies. Untrained, geographically limited, hampered by selective pass laws and taxes, the natives crowded back into the compounds.

VETERAN DIGGERS never forgot the powerful culture shock they had experienced at New Rush: the strange, upside-down weather when it snowed in July and seethed in December; the primitive sanitation and the terrible spread of disease; the fortune-tellers and spider fights; the women auctioning themselves off to the highest bidder; the thefts and beatings in a place without laws or regulations. But all that was gentle buffeting compared with the new world of Johannesburg. The Kim-

berley of the past had been little more than a frontier town with quirky regulations and haphazard social arrangements. Mining took place in the open, the governmental hand was shaky, and native policy a matter of improvisation. The gold city presented a very different scene. A visiting Australian journalist attempted to describe it: "Ancient Nineveh and Babylon have been revived. Johannesburg is their twentieth-century prototype. It is a city of unbridled squander and unfathomable squalor."

Native life represented the squalor. For black men to take a freight train from their villages to Johannesburg was like entering some dreadful time machine. They stepped aboard in the tenth century, with its intense village life and age-old rites. They exited into the twentieth-century city of technology and segregation. At night the gold miners lived in all-male compounds; during the day they tunnelled deep into the earth, a dark, hazardous place of explosions and cave-ins. No matter what their ages, they were addressed as "boys," and mine owners made sure that they never matured into adult citizens. There would be no more bargaining for higher wages or better conditions. Natives were forbidden to go on strike, to hold office, to become managers of any kind. Schools, poor in every sense, served as little more than holding stations. In early adolescence children were expected to leave the classroom in order to refill the reservoir of cheap labor. Every native knew that he could be replaced overnight; hundreds of unemployed black men clamored for his job. The oversupply of native labor affected every aspect of Johannesburg life. No matter how underpaid, how menial the position, candidates were pathetically eager to take it.

Blacks were not the only ones to be appalled by their situation. Olive Schreiner wrote that "if, blinded by the gain of the moment, we see nothing in our dark man but a vast engine of labor; if to us he is not a man, but only a tool, [if] we reduce this vast mass to the condition of a vast, seething, ignorant proletariat-then I would rather draw a veil over the future of this land."

Because she was a white woman, Schreiner could only perceive the tragedy from the outside. Plaatje was at the heart of it. During a bicycle trip to the Orange Free State he saw a blizzard strike. "Native mothers," he remembered, "evicted from their homes shivered with their babies by their sides. When we saw on that night the teeth of

the little children chattering through the cold ... we wondered what these little mites had done that a home should suddenly become to them a thing of the past."

The plight of a rural black was even sadder. Kgobadi had been making £100 a year working for a white farmer. As soon as the law was passed the farmer reduced his salary by 75 percent. The native refused to work for starvation wages, and the farmer handed him a note. It ordered Kgobadi to "betake himself from the farm of the undersigned by sunset of the same day." Refusal to comply meant that "his stock would be seized and impounded, and himself handed over to the authorities for trespassing on the farm." No appeal was possible. Just then Kgobadi's baby fell ill. The family moved from their house to a drafty ox wagon, and two days later the infant died. It had to be buried illegally in the dark "lest the proprietor of the spot, or any of his servants, should surprise them in the act." Plaatje reminded his readers that "even criminals, dropping straight from the gallows, have an undisputed claim to six feet of ground in which to rest their criminal remains. But under the cruel operation of the Natives Land Act, little children, whose only crime is that God did not make them white, are sometimes denied that right in their ancestral home."

The writer, along with a group of like-minded black leaders, called a conference at Bloemfontein, near Kimberley, to determine the fate of their people. This "gathering of tribes," as one black observer put it, "had never before met except on the battlefields." On a feverishly hot day in January 1912, the keynote speaker set the tone of collective rage. "Chiefs of royal blood and gentlemen of our race," he began, "the white people of this country have formed what is known as the Union of South Africa-a union in which we have no voice." His message had been stated before, in periodicals as well as speeches: "The demon of racialism must be buried and forgotten." The natives of South Africa would have to band together for the good of all. Intertribal conflicts must go, for they had "shed among us sufficient blood. We are one people."

The man who held the floor was a firebrand called Pixley Ka Isaka Seme, related by marriage to the Zulu royal family. The audience knew all about him. Missionaries had arranged for his education at Columbia University in New York and at Jesus College, Oxford. Both

places honed his sense of injustice, and the sight of blacks forcibly ejected from their homes had driven him to a number of notorious acts. Once he had actually settled into a Whites Only railway carriage. When his fellow passengers objected, he drew a pistol and was promptly disarmed and arrested. After a brief detention, he explained haughtily, "Like all solicitors, I, of course, travel first class."

In deliberate contrast, the Reverend John Dube called for "a hopeful reliance on the sense of common justice and love of freedom so innate in the British character." Surely "perseverance, patience, reasonableness, the gentlemanly tendencies of Africans, and the justice of their demands" would "even force our enemies to be our admirers and our friends."

Elections were held, and the moderate Dube won the presidency. In a rare compromise Seme accepted the title of treasurer, and Plaatje became secretary-general. Not one white newspaper reported the occasion. On the coalition went, warring with itself, arguing with the white leadership, challenging laws and customs, confident that one day history would make room for the African National Congress.

11

A SIDE ENTRANCE TO DE BEERS

ONCE THE CONFLICT in Europe was over, most of the Randlords prepared to resume business as usual. Not Ernest. Even as Anglo-American explored the gold of the East Rand, he turned his attention to his first love, diamonds. The Diamond Syndicate was still in power. It was composed of Kimberley's four great diamond producers. De Beers dominated the group, accounting for 51 percent of the stones, followed by South West Africa (21 percent), Premier Mines (18 percent), and Jagersfontein (10 percent). In theory the syndicate was carrying out the ideal of Cecil Rhodes, engineering the price of stones by controlling the supply. In practice, things did not work out so neatly. When demand ebbed during World War I, for example, the syndicate acted exactly like any other group with merchandise on its hands; it simply lowered the price of its goods. To Ernest this policy seemed weak and self-destructive. A true cartel had to exert its authority under all circumstances, controlling the supply, creating shortages when necessary, hanging tough through catastrophes, depressions, and wars. Otherwise what was the point of having a syndicate at all? In his view the fault was not so much with the system, but with its practitioners. What the diamond industry needed was fresh thinking and new faces. Naturally, he wanted one of those faces to be his.

At the time he was still an executive at Dunkels, whose participation in the syndicate amounted to 12½ percent of the diamonds to be sold. None of that portion was Ernest's—not yet, anyway—and none of it gave him the power to move the syndicate in the direction he wanted. But he had a very clear idea of how to proceed. He would join the

board of directors at De Beers. "Step by step," he told a colleague, he would work his way to "a leading position in the diamond world."

Ernest made no secret of his intentions, and the top executives at De Beers felt threatened by this ambitious climber. They resolved to keep him outside with his nose pressed against the windowpane. Frustrated, Ernest began to search for a side entrance, and in 1919 he found one. Some diamond mines in the German colony of South West Africa had been seized by the British victors. When the war ended, German owners sounded out the Bureau of Mines. Would it make sense for a recent enemy of the Crown to resume operations? Would it be better to sell the holdings and clear out? Friends in government told Henry C. Hull about these conversations, and he passed the information on to Ernest.

A few days later, Fritz Hirschhorn, De Beers's man in Johannesburg, called on Prime Minister Botha to inquire about the purchase of the same German properties. He was shocked to find that his own cousin Ernest had already come and gone without saying a word to him. Wounded and anxious, Hirschhorn fired off a cable to the London-based directors of De Beers: "From the conversations with General Botha there is no doubt that [our competitors] are endeavoring to obtain interests in South West Africa.... It is very important therefore that we should be first in the field ... and, if possible, acquire rights from German holders subject to ratification by the Union Government."

After De Beers made further inquiries, it sent a cool reply: "German holders under belief they will remain in possession of their property and from our inquiries in Germany these holders are not disposed to sell at present."

While De Beers was busy cutting itself out of riches, Ernest and his associates were busy putting on long faces and persuading the German owners that they faced an uncertain and difficult future in Africa. Having talked down the diamond properties, they negotiated a price of £3,500,000 and pounced. Much of the money would come from J.P. Morgan's bank, and from Louis Oppenheimer's connections at Dunkels. On November 3, 1919, De Beers's Kimberley office sent some distressing news to headquarters. "The whole of the diamond interests in German South West Africa," said the cable, "have been acquired by Hull on behalf of Anglo-American."

A new corporation, Consolidated Diamond Mines of South West Africa, was established, with Ernest as both Chairman and Managing Director. The syndicate agreed to accept Consolidated's output of precious stones. In its first year the company would produce 20 percent of the syndicate's diamonds. Pushed, Ernest would have to admit that it was a pity about Hirschhorn; the man had been a generous host, and he had been so indulgent to May when the young couple appeared in Johannesburg-can it have been only four years ago? With enough diamonds in your hands, though, you no longer really needed indulgences. And with enough brothers in position, you no longer really needed cousins.

IN 1869, QUEEN VICTORIA underlined her feelings in a letter: "To make a *Jew a peer* is a step she *could not* consent to. It would be ill taken and would do the government great harm." Not until 1885 would she consent to name any Hebrew a Baron of the United Kingdom, and then it was the irresistible Nathan Rothschild, whose father had loaned the British government four million pounds sterling for its great Suez adventure.

So much had altered since that time; Victoria had been succeeded by Edward VII, a collector of Jewish friends and their dialect jokes. And he had been followed by George V, a ruler with no objections to knights with names like Solomon and Abrahms and Oppenheimer. The London *Gazette* carried the announcement in 1921: Ernest Oppenheimer had been created a Knight Bachelor for taking "a leading part in recruiting of both combatants and laborers for various fronts during the war." The same list elevated Bernard a step higher than his younger brother. He had not only recruited war workers and manufactured ammunition; in peacetime he had established a diamond polishing industry for disabled veterans. For all these benefactions he was to be made a baronet.

These proclamations were greeted with a volley of cheers and a few lofty grumbles. It might have been thought that Winston Churchill would welcome a South African peer. His father, Randolph, had gone out of his way to cultivate the first diamond men; Winston established himself as a journalist in the Boer War, and he counted some mining

men as his friends. But the Secretary of the Admiralty was displeased with the King's list. In a letter to Bonar Law, Britain's next Prime Minister, Churchill complained about the "disposition of peers" in the lists of honors. He specifically mentioned Bernard Oppenheimer as a type who buys his way into the House of Lords. The brothers got their awards nonetheless, and Ernest immediately selected a coat of arms and motto. He allowed himself a small and subtle reprisal against the town that had wounded him. On Kimberley's official stationery was the phrase *Spero Meliora:* I hope for better. For his motto Ernest chose *Spero optima:* I hope for the best.

He had every reason to hope. In America, William Honnold and J.P. Morgan promised to supply more capital for his business ventures. In South Africa, Jan Smuts, the politician Ernest had so assiduously cultivated, had just been made Prime Minister. Prosperity seemed to beckon from every corner, and in a burst of optimism the Oppenheimers bought a magnificent new home in Brenthurst, a prosperous suburb of Johannesburg. There Harry, now eleven, and Frank, nine, commuted to the Parktown School in scarlet blazers and red caps, little English gentlemen in the making.

And then the first crack in the facade appeared. Six months after he had knelt before the crown, Bernard suffered a fatal heart attack. He was fourteen years older than Ernest, more of father figure than a sibling, and he was irreplaceable. For a time, Ernest took the unaccustomed role of bystander and watched while history caught up with his country.

A vigorous new radicalism was rippling across the postwar world, challenging the old assumptions of authority. South Africa was no stranger to strikes, but in the prewar period, these had been wildcat, disorganized, and brief. In 1913, several white mine workers had been fired in a dispute over working hours. Hundreds and then thousands of their fellow laborers had gone out in a show of solidarity. Speaking for Wernher, Beit, Lionel Phillips had commented, "A general strike would of course be a serious matter from a dividend-paying standpoint. I do not think, however, that it could last very long and, if it does happen, we must make up our minds once and for all to break the unions here." The Randlords, working with government troops, had ended the strike at a cost of more than 100 lives.

Then, seven years later, labor unrest shook the black compounds. On Monday, February 16, 1920, two African gold miners, Mobu and Vilikati, were arrested for trying to organize a strike on the East Rand. The following day, 2,500 native workers refused to go to work unless the men were released. Mobu and Vilikati stayed under lock and key, and the strikers escalated their demands. They would settle for nothing less than improved working conditions and a cost-of-living increase of three shillings a day. After two weeks 771,000 workers-more than half the black working force-were out.

The government sensed that something extremely ominous was under way. Johannesburg was put on notice that "this is not, as all previous native troubles have been, a riot; it is a regular strike organized on the European model." The entire future of labor relations was at stake here; the disruption would have to be put down abruptly and absolutely. Federal troops were brought in to aid the private police. They surrounded the compounds, identified the ringleaders, and marched them off to jail. The next day black miners were forced back to their posts at bayonet point. Some went with an air of resignation, others protested vigorously. Confrontations were met with gunshots and beatings; before the strike was put down, 11 miners had been killed and 120 injured.

Ernest knew that these were only the first indications of a dangerous and possibly lethal new attitude. All over the world, workers were beginning to speak out in a different, defiant tone. They had effected severe changes in America, and they had taken over Russia entirely. Was South Africa next? Its labor troubles were in every sense just below the surface, waiting to erupt. Ernest sensed that the next few years might be the most dangerous in his life; he would have to act very cannily to control the mines and the miners. Otherwise they would control him.

IN 1921 LOUIS COHEN, sprung from jail and feeling alternate twinges of rheumatism and nostalgia, paid a visit to the gold city he had known a generation before. The old mixture of buccaneering and bonhomie was gone. Everything was regulated in the British style; the Union Jack flew over the town hall. Cohen always had an eye for pretty ladies,

at a height of some 250 feet in order to let the major and his passenger signal farewell to the knot of friends enthusiastically waving from the ground. Without warning the plane slipped into a dive, whether from wind shear or mechanical failure no one could tell. Seconds later it crashed nose-first into the earth. The ground engineer rushed to the burning wreckage and dragged the pilot away. He was too late. On impact Michael had been thrown through the fuselage and over the port engine. He, too, had perished instantly.

Ernest was prostrated by the tragedy. It had been a special comfort to have his brother's son so near, to see a new generation of Oppenheimers newly rooted in South Africa. Michael's young widow, Ina, put up a brave front but she was devastated. For a time she spoke about returning to England with little Michael, but Ernest persuaded her to stay: he needed someone close to look after his wife.

May's health had been deteriorating rapidly. Although ten years younger than Ernest, she was affiicted with a series of ailments. Ina helped to nurse her back to health, and in February 1934, May finally felt well enough to accompany her husband to the opening of Parliament in Cape Town. When he returned to Johannesburg she stayed on, recuperating in the sea air. The day she planned to return to Brenthurst, May suffered a slight heart attack. Ernest was notified; he dropped everything and made plans to leave Johannesburg. At IO:oo that night she had another attack, and this time it was not minor. May Lina Oppenheimer died before Ernest could reach her bedside.

The two losses seemed almost too much for him to bear. May had been at his side for almost thirty years. Unlike the wives of other Randlords, she had always been absorbed with the ins and outs of finance, and she remained that way to the end. The daughter of a past president of the London Stock Exchange had much to say about daily decisions, and her advice was unusually sound. Moreover, May had been born to wealth, and her ability to preside at parties and formal functions brought Ernest the social position he had craved since the early days at Dunkelsbuhler's. The widower tried to right himself. A letter to Honnold mentioned an unshakeable melancholia: "I feel very tired and weary and am toying with the idea of retiring. I should not like you to think that I am ill, but I find it very difficult after my bereavement to concentrate on work."

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