The Grand Game and Britain’s Acquisition of Cyprus

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Abstract

In my following exposition I will try to answer three questions (1) Why did Great Britain want Cyprus in 1878? (2) How and when did London achieve this task? (3) Why did Britain keep Cyprus even when London discovered that after the acquisition of Egypt it did not need Cyprus no longer from a military point of view? While answering these questions I give an outline of the main strands of the story and their interdependence.

Keywords: Ottoman Empire, Cyprus, Great Britain, Europe

Öz


Anahtar Kelimeler: Osmanlı İmparatorluğu, Kıbrıs, İngiltere, Avrupa

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There were two main developments which led to the acquisition of Cyprus 1878: The growing nationalist unrest among the peoples in the Balkans many of which were still a part of the Ottoman Empire, and the global rivalry of Great Britain and Russia known as the *Grand Game* between the greatest naval power and the biggest land power of the time. Since Peter the Great the Russians had been trying to get acquire an icefree harbour and the British had done their best to contain this effort. These conflicts had been well known all through the 19th century and until 1878 had not had any influence on Cyprus. This time, however, it was different.

The event, which in 1875 triggered the new development, was one of those periodical peasant revolts against merciless tax farmers in the Ottoman provinces of Herzegovina and Bosnia. In the past the Turks had crushed such revolts easily, but this time there were three new factors which gave this local rebellion an international dimension, namely the pan-Serbian and pan-Slav movements, and Austro-Hungarian expansionism. The Pan-Serbs in Beograd dreamed of a Greater Serbia including all south Slavs. The Russian oriented Pan-Slavists wanted to unite all Slavs under the lead of Russia. The Austrians abhorred the idea of a Greater Serbia and therefore aimed at the annexation of Bosnia-Herzegovina. Both, the Russians and the Austrians agreed that the Ottoman Empire had to be dissolved, however, they disagreed about the method to achieve dissolution and even more so about the share each of them should get; consequently war was threatening.

The situation was further complicated by two additional facts: The rivalling Austrians and Russians were allies of Germany in the *Dreikaiserbund* and the latter (Bismarck) wanted to preserve this alliance. Furthermore there was Great Britain which wanted to keep the Russians away from the Mediterranean at almost any cost. In order to avoid a general conflagration as in the Crimean War twenty years earlier, the Austrians and the Russians together with Bismarck worked out a compromise solution, the so-called *Berlin Memorandum*, which provided for general reforms of the Ottoman Empire controlled by the consuls of the European powers. This proposal was accepted by the French and Italians as well. But the British refused to approve the compromise.

Until 1874 Britain under Prime Minister Gladstone had followed a policy which was known as “splendid isolation”. His successor, Disraeli, was an imperialist, i.e. he wanted to expand the British Empire and secure its maritime ways of communications. In his eyes the old European concert of powers controlled by British balance of power politics had been ruined by the creation of Germany. He wrongly distrusted

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Bismarck’s assurances that Germany was *saturiert* [saturated] and rightly suspected the Russians and Austrians wishing to carve up the Ottoman Empire. In order to cope with this threatening situation he did his best to sow the seeds of discord among the members of the *Dreikaiserbund* and took measures to keep the Russians away from the Mediterranean and to strengthen the life line of the British Empire through the Mediterranean to India.³ In 1875 he brought the Suez Canal under British control by buying shares of the Egyptian Khedive and had Queen Victoria proclaimed Empress of India. When in the same year Sultan Abd ül-Asiz died Disraeli detached navy units to the Dardanelles to keep the Russians quiet.

In the meantime the revolt in Bosnia and Herzegovina had escalated into a veritable war between Turkey and Serbia. In the spring of 1876 an upheaval of the Bulgarians was crushed by the Turks in such a brutal way⁴ that the *Dreikaiserbund* intervened and forced Turkey to conclude an armistice. Disraeli could not help the compromised Turks. In December 1876, an international conference was held in Constantinople. Though the three powers exerted considerable pressure on Turkey to initiate reforms, the British secretly backed the Turks enabling them to continue their intransigent policy. Thus, the conference of Constantinople failed.⁵

This meant war. The Russians had foreseen this development and had concluded an agreement with Austria at Budapest by which they had secured Austrian benevolent neutrality in case of a war with Turkey. In return the Russians agreed to annexation of Bosnia-Herzegovina by Austria.⁶ In order to avoid a direct confrontation with the British the Russians made a last diplomatic effort. In March 1877, Russia, Austria, Germany and Britain signed in London a protocol asking the Turks to introduce those reforms they themselves had proposed at the Conference of Constantinople three months earlier. The Turks, however, believed themselves to be in a position of strength and rejected the Russian proposal. Thereupon Russia declared war on the Ottoman Empire on 24 April 1877.

The Russians attacked in two directions: in the Balkans and in Trans-Caucasia. Romania consenting, they crossed the Danube and marched towards Sofia. A strong Turkish attack from the fortress of Plevna on the western flank stopped the thrust until December. But in January the fortress surrendered and the Russians advanced rapidly towards the Straits. At the end of January an armistice was signed which al-


⁴ Gladstone denounced these horrors in a pamphlet entitled “The Bulgarian Horrors and the Question of the East”.


allowed a Russian proceed to Agios Stefanos (San Stefano today Yesilköy), a suburb of Istanbul; and on 3 March 1878 the peace treaty of San Stefano was signed.\footnote{Adolf v. Horsetzky, “Der russisch-türkische Krieg 1877-78.” in: Hermann Franke (ed.), Handbuch der neuzzeitlichen Wehrwissenschaften (Berlin: Walter de Gruyter, 1936), pp. 367-371.}

For British interests this peace treaty was a catastrophe. Among the many territorial changes was the creation of a Greater Bulgaria. The mere extension of this new state, from Lake Ochrida in the West, the Danube in the North, the Black Sea in the East, almost to Adrianople (today Edirne) in the Southeast and the Aegean in the South, was a provocation to all its neighbours. It was clear that this “monster” state could only survive as a Russian satellite, and thus indirectly Russia would have become a littoral state of the Mediterranean, a nightmare for the British. To make things worse, the Russians gained the Black Sea harbour of Batoum and the strategically important towns of Kars, Ardahan and Bajesid in Armenia. Obviously Russia was moving towards Mesopotamia and an advance towards Alexandretta (today Iskenderun) could no longer be excluded. At the same time the Straits were at the mercy of the Russians. In London the alarm bells rang: this peace treaty threatened Britain's route to India, the Life Line of the Empire. In Disraeli’s eyes this treaty had to be revised thoroughly.

Ways to minimize the damage for Britain began to be considered when the possibility of a Russian-Turkish war had loomed on the horizon in late 1876. Recollections of the horrible Crimean War excluded any direct armed intervention. Another option had to be found. After intensive discussions among the military Colonel Robert Home reported: “England might maintain Turkey at the expense of enormous blood and treasure, but what good would that do? She had better leave Turkey to her fate and seize upon some place that would be of use to her such as the Dardanelles and Cyprus.” Alternatively, Crete, Egypt, or Rhodes or all three might be occupied.\footnote{Lee, op. cit., p., pp. 36, 38.} The latter was a radical concept and Disraeli did not like it. He and his ambassador in Constantinople Austen Henry Layard \textit{“believed that England should support Turkey, aid her by diplomatic pressure to reform in the interests of both Christians and Mussulmans alike and thus continue to guard the route to India by maintaining the Sultan’s rule over Constantinople, the Straits, and Armenia.”} But how this could be achieved was unclear.

In early 1877, London demanded Russian guarantees of British interests in the Suez Canal, Egypt, Constantinople, the Straits and the Persian Gulf, but the Russians refused to guarantee Constantinople and the Straits. During the Russian advance in Bulgaria London fearing the occupation of Constantinople toyed with the idea of entering the war, but when the Russian advance was slowed down, the British politicians got calm again and started exploring alternatives.\footnote{\textit{Ibidem}, p. 52f.}
In view of British interests in Asia Minor and Armenia and the safeguarding of the route to India the best solution seemed to be the acquisition of a Place d'Armes in the eastern Mediterranean. The Straits were dismissed quickly since there were no suitable harbours. After intensive studies of maps, Rhodes and Cyprus were found inapt for the purpose and Crete was disposed of because of the rebellious character of its inhabitants. The discussion procrastinated but when in November 1877 the Russians took Kars London got nervous again.

The English Press called for the occupation of Egypt and the conversion of Cyprus into a Gibraltar of the East from where the British Navy could control the Syrian coast, the Suez Canal and the Straits. Additionally, an old idea resurfaced: the project of building a railway from Alexandretta to the valleys of Euphrat and Tigris to Basra and from there to India. The starting point of this second route to India could be protected from Cyprus.11

When the British learned that the Russians had reached the Straits they despatched parts of the Navy there. Ambassador Layard successfully got the Sultan interested in the railway concept and offered a permanent alliance with Great Britain. In London the new Foreign Minister Salisbury liked the idea of an alliance with the Ottoman Empire and the acquisition of a Place d’Armes in the region. The question was whether this place would be situated in the Persian Gulf or in the Mediterranean. After analysing all political, geographic, military and commercial aspects, Colonel Home suggested that Cyprus was the most suitable place.

Thus, Britain had returned to a vision which had been formulated 60 years before:

“The possession of Cyprus would give England a preponderating influence in the Mediterranean, and place at her disposal the future destinies of the Levant. Egypt and Syria would soon become her tributaries, and she would acquire an overawing position in respect to Asia Minor, by which the Porte might at all times be kept in check, and the encroachments of Russia, in this quarter, retarded, if not prevented. It would increase her commerce in a very considerable degree; ... It is of easy defence; and under a liberal government would in a very short space of time, amply repay the charge of its own establishment, and afford the most abundant supplies to our fleets at a trifling expense.”12

11 Ibidem, p. 67f.
In the meantime diplomatic haggling about the revision of the San Stefano Treaty had begun. Towards the end of May 1878 the Russians signalled that they were ready to withdraw from the Balkans and accept a reduction of Bulgaria’s size but that they would remain in Armenia. This was used as a pretext by the British to put pressure on the Sultan to conclude the alliance. On 4 June 1878 a secret Defence Alliance, which became known as the Cyprus Convention, was signed. Its central provision was: As long as the Russians occupied those towns in Armenia, Great Britain promised to help the Sultan militarily in case of further Russian advances in Asia. In return the Sultan promised certain reforms in favour of his Christian subjects “and in order to enable England to make necessary provision for executing her engagement, ... the Sultan further consents to assign the Island of Cyprus to be occupied and administered by England.” By the Convention Cyprus was leased to the British until that distant day in the future when the Russians would move out of Batum, Ardahan and Kars in Armenia. Thus, even before the Congress of Berlin redrew the boundaries of the Balkan countries, Cyprus had de facto changed its proprietor and since the Russians would hardly move out of Armenia this change was for good. The Cypriots had been no party in this development which had begun as a peasant revolt and led to a big oriental crisis; they were objects of this process and - ended as British subjects.

At the Congress of Berlin which lasted from 13 June to 13 July 1878 all statesmen of Europe met. The results were frustrating for all participants but one: Britain. The big power interests had prevailed; the freedom dreams of the enslaved peoples of the Ottoman Empire were sacrificed for reasons of state. Not one of the Balkan problems was solved, they were only covered up superficially to resurface again in the explosion of September 1914. Bismarck allegedly played the honest broker, in reality he had done his best to keep the oriental wound open secretly encouraging the other statesmen to carve up the Ottoman Empire, playing off one state against the other.

Britain succeeded in pushing the Russians back from the Mediterranean and halting their advance in Armenia. Thus, strictly speaking, the reason for the acquisition of Cyprus had become void. And as the Cyprus Convention had up to this point been kept secret, it could have been invalidated rather noiselessly. But diplomatic processes cannot be stopped abruptly without those involved fearing political damage and loss of prestige. So the final negotiations for the signature of the Sultan under the Cyprus Convention dragged on during the sessions of the Berlin Congress.

On 7 July 1878, the Sultan finally signed the Firman ratifying the Cyprus Convention. In the House of Commons Disraeli justified the acquisition of Cyprus on 18 July: “In taking Cyprus the movement is not Mediterranean; it is Indian. We have taken a step there which we think necessary for the maintenance of our Empire and

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The British Press reacted in a mixed way: The London Times considered Cyprus “an admirable naval station, whether for the purpose of protecting the Suez Canal, securing a second road to India, or giving this country the requisite authority in its relations with the Porte.” The Daily News was afraid of “limitless cost, unceasing stress, strain, and danger” as never before in English history. The Commentator of the Fortnightly Review was even more pessimistic: “An island, two hundred miles long, ravaged by famine, a nest of malaria, with a fatal fever of which it enjoys a monopoly, without harbours, and possessed of a growing population of lepers, is held by Englishmen adequate consideration for an obligation to spend scores or hundreds of millions in defending an empire which either cannot or will not defend itself.” There were even doubts about the military value of Cyprus. Ambassador Layard believed that the acquisition of a Place d’Armes in the Persian Gulf might have been better. 

However that may have been, for the time being Disraeli had won a point in that perpetual Russian-British competition known as the Grand Game. For the Cypriots the 300 gloomy years of Tourkokratia had ended. It was said that Cyprus was the best administered Ottoman province of the time. This may be so but whoever knows the facts will agree that of all Ottoman provinces Cyprus was the least badly administered one. In other words, at the end of Turkish domination Cyprus had been run down as never before in its history. But the British, too, acquired Cyprus not out of humanitarian motives but out of military calculation: “It is important at the outset to realize that the action of the British Government in assuming the administration of Cyprus did not result in any way from a regard either for the island or its inhabitants. There was no question, for instance, of rescuing the latter from misrule.” However, with the change to Britain there seemed to be a bright future as British naval base. A lot of investment capital would flow into the island in the wake of the British building their Place d’Armes. Under the benevolent administration of the British Cypriots would become well-to-do British subjects. If this bright picture did not become true this was due to yet another turn of the wheel of fortune of international politics.

Since the construction of the Suez Canal the Egyptian Khedive was heavily indebted to the British and the French. When he could no longer repay his debts, Egypt’s debt-service was put under the supervision of an Anglo-French Commission. In 1879 this Commission replaced the disobedient Khedive with a more compliant one. This triggered a rebellion of the Egyptian army under the lead of Colonel Arabi. Soon he controlled most of the country but when he refused to repay his country’s

14 Lee, op. cit., p. 113.
16 Richter, op. cit., p. 44.
17 Orr, op. cit., p. 46.
loan the creditors got active. As the French parliament refused to intervene militarily the British acted alone in 1881. They landed troops in Egypt and beat Colonel Arabi’s forces. From now on they were the masters of Egypt. The ensuing Madhi rebellion in Soudan led to a permanent military occupation of Egypt and the Suez Canal.  

This development changed the situation of Cyprus radically. Having direct control of the Suez Canal and the harbour of Alexandria the British no longer needed Cyprus as a Place d’Armes. If they had considered their own interests alone, they would certainly have come to the conclusion to cancel the Cyprus Convention and hand the island back to Turkey. But apart from the loss of prestige which such a move would have entailed and the difficulties involved in the uprooting of an administration just planted in the island, there would have been undoubtedly a strong feeling in Britain and in Europe against handing back to Turkey a country containing a population more than three-fourths of which were Christians.  

But there was another aspect strongly advocating the permanent occupation of Cyprus: The Ottoman loan of 1855.

In 1855, during the Crimean War, the Ottoman Empire had begun to borrow heavily on the European money. Among the loans was a loan from England and France guaranteed by the two Governments, i.e. the British taxpayer. In the following years the Turks had continued to borrow heavily and in 1875 the Ottoman debt had reached £ 200 Million. £ 12 million, half of the Ottoman revenues were used to pay the interests of the various loans. In 1877 Turkey had to declare bankruptcy. The British Chancellor of the Exchequer was alarmed because the 1855 loan had been guaranteed by the Government: if Turkey could not pay, the British taxpayer had to take over. The British Minister of Finance began searching for a solution which would not lessen his revenue.  

And precisely during this period the discussion about the acquisition of Cyprus began. As early as July the Chancellor of the Exchequer signalled that he would use the revenues of Cyprus to redeem the 1855 loan. Later voices assured that the Turkish debt had been the main reason for the acquisition of Cyprus. This seems a little exaggerated, but not too much, if we look at the development of the so called Cyprus Tribute.

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19 Orr, op. cit., p. 44f.
22 Hill, op. cit., p. 466.
23 Lord Hailey, *The Future of Colonial Peoples* (Oxford, 1943), p. 9 versicherte “Cyprus was ceded by Turkey in 1874 (sic) in payment of a debt to Great Britain”, quoted by Hill, ibidem.
In Article 3 of the Cyprus Convention London had promised that it“will pay to the Porte whatever is the present excess of the revenue over the expenditure in the Island; this excess to be calculated upon and determined by the average of the last five years.” Thus the decisive question was the height of the surplus. The Ottoman authorities had an intrinsic interest to increase this number as much as possible since the Sultan would get this sum as a rent for Cyprus. Thus they did their best to inflate this number. The average revenue before the war had amounted to 117.000 £ annually, but the war taxes had increased this number to 130.000 £. The average surplus had amounted 50.000-65.000 £ but now it was fixed at 92.800 £. The British knew these numbers quite well, but as they never intended to hand the surplus over to the Sultan but to use it to pay the interest of the Turkish loan guaranteed by the Government, they did not mind the Turkish inflation. The British called the surplus a Tribute which was illegal since there had never been a Tribute of Cyprus in Ottoman times. But there was an additional problem: The interest of the Ottoman loan amounted to 82.000 £ but the “Tribute” was 11.000 £ higher. The chancellor of the exchequer offered the excess 11.000 £ to the Ottoman Government which rejected it thoroughly offended. Thus the British paid this surplus into a fund. But the British did not hesitate to pay the ransom demand of some Macedonian bandits for some kidnapped British subjects out of this fund.24

Very soon it became clear that the difference between the real revenue and the tribute did not cover the cost for the British administration, not even when they perfected the tax system and squeezed Cyprus like a dry lemon. The Turks had squeezed the Cypriot taxpayer but oriental inefficiency had left enough on the Island; British administrative effectiveness squeezed the last drop out of the island. Cyprus became the most heavily taxed country in the world in relation to the wealth of its people. Thus Britain had to subsidize this colony. The result was that no money remained in the island to modernize it or invest into the infrastructure. Indeed, Cyprus paid the annual interest of that Turkish debt to the British bondholders until the First World War and continued to pay it even when the island was annexed in 1914 and made a Crown Colony in 1925. After the war the Treasury stopped calling the Cypriot payments a tribute; they were now the share of Cyprus of the Turkish Debt charge. Until 1914 the Cypriots had relieved the British taxpayer by 3.533.136 £. Cyprus had become the mostexploited colony of the Empire.

In 1909 Winston Churchill, then parliamentary undersecretary in the Colonial Office visited Cyprus. When he was fully briefed about the Tribute he wrote in a memorandum for the British Government:

“By the Convention of 1878 we bound Cyprus to pay a tribute to the Sultan of 92,800 £. This Convention was made for our own purposes, because it was then thought a matter of high military importance to have a place of arms and strategic base in the Levant whence Egypt and Constantinople could be surveyed. The Cypriotes were not consulted by us in fixing the amount of the tribute. They never agreed to it, and it was fixed upon the basis of what Turkey declared she had been able to screw out of the island by regular Turkish methods. We were anxious, however, to have the island, and could not afford, or did not care, to boggle about the terms, particularly as they affected only other people’s interests. Reviewing this original transaction, I cannot help thinking it improper. I do not think that we ought ever to have consented to make ourselves the agents of collecting the hatefully oppressive taxes by which the Turk has crushed and ruined so many of his tributary provinces. But that is only half the transaction. [...] the fact stares me none the less in the face that we have no right whatever, except by force majeure, to take a penny of the Cyprus tribute to relieve us from our own just obligations, however unfortunately contracted. There is scarcely any spectacle more detestable than the oppression of a small community by a great Power for the purpose of pecuniary profit; and that is, in fact, the spectacle which our financial treatment of Cyprus at this moment indisputably presents. It is in my opinion quite unworthy of Great Britain, and altogether out of accordance with the whole principles of our colonial policy in every part of the world, to extract tribute by force from any of the possessions or territories administered under the Crown.”

This was an honest statement; some senior politicians and civil servants considered it “an insane minute”.

In 1923 Britain was one of the signatories of the Lausanne Treaty. London kindly waived the Turkish loan of 1855, but Cyprus and Egypt were obliged to go on paying: the Ottoman debt was redefined and was now a public debt of these colonies which had to be paid. The Tribute had become a means to cream off the potential wealth of the island. When in 1927 after 48 years British domination the new Chancellor of the Exchequer, Winston Churchill was finally ready to discuss the abolition of the tribute, when he was confronted with his own statement of 1907. By then Cyprus had paid 2.642.648 £ of tribute. From this sum 570.900 £ surplus had been diverted into that fund. Now the Chancellor of the Exchequer made it clear that he would accept an end of the Tribute only if the surplus was used to redeem the Ot-

27 Richter, op. cit., p. 62.
toman debt of 1855. Winston Churchill had indeed become a senior politician. The Governor of Cyprus, Reginald Storrs, did not dare to disclose this to the Cypriots and when it was made public by chance by Churchill’s successor, Philip Snowdon, it became one of the reasons that triggered the unrests of October of 1931, which the Cypriots call the Oktovriana, but this is another story.
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