

**GLASGOW MERCHANTS IN COLONIAL TRADE**

**1770 - 1815**

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## ABSTRACT

The avowed aim of the study was to examine various aspects of the Glasgow colonial merchant community at a crucial time in its history. Specifically it was intended to ascertain the number of Glasgow merchants involved in trade to North America and the West Indies between 1770 and 1815, to discover their origins, the degree of mobility among them, the extent of their social and political dominance in the city and the surrounding area and the nature of their trading methods and organisation. A second intention was to investigate their reactions to the American War of Independence and their activities during the period of hostilities. Since the experiences of these merchants during the war has been a subject of some controversy in recent writing on Scottish economic history Part II of the thesis was devoted entirely to a discussion of these problems. The final part concentrated on an examination of the role of the colonial merchant group in domestic industrial and agricultural change.

It was concluded that there were about 165 merchants operating in Glasgow's colonial trades during this period. This relatively small number is probably explicable because of the atypically extensive financial resources required to prosecute such commerce successfully. Entry into this established elite was possible though very difficult: between 1770 - 1815 about fifty per cent of the merchants came from outwith the community itself. The fathers of these men were from middling social groups such as lairds, large farmers, lawyers, bankers, clergymen, teachers and merchants in other trades. The open-endedness of the community was preserved by insolvency among established members, by social mobility into the

professions and landownership and by the rapid expansion of colonial commerce which stimulated recruitment.

Although social and political control of the city was in the hands of the colonial merchant elite at the beginning of our period, by the end it was reduced more to the level of yet another commercial interest in Glasgow. This resulted from the rise of domestic entrepreneurs, the collapse of the tobacco trade and the difficulties of West Indian commerce in the 1800s.

Part II cast doubt on traditional interpretation of merchant response to the American War. It was stressed that opinion, though aware of emerging difficulties between colonies and mother country, did not expect rebellion; that debt owed Glasgow by American planters was much greater than is often suggested; that West Indies trade stagnated during the war and that though the community was under great pressure, bankruptcies were few because of profits from tobacco sold at wartime boom prices and because of long experience in handling a speculative commodity.

The role of mercantile funds in industry was seen to be important with extensive linkages in a miscellany of units including coal-mining, cotton spinning and iron finishing. In agriculture, the extensive penetration of merchants into landownership was regarded as a fundamental factor in agriculture change in West - Central Scotland.

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Anyone working in the field of historical research must realise that without the co-operation and assistance of numerous archivists and librarians, satisfactory progress is impossible. I therefore wish to thank the staffs of the following institutions for the professional aid which they generously gave: the Scottish Record Office, Edinburgh University Library, the National Library of Scotland and the Signet Library (Edinburgh); the City Archives, Messrs. James Finlay and Company, Mitchell Library, Glasgow University Library, Baillie's Institution, the Andersonian Library, University of Strathclyde (Glasgow); the Public Record Office and British Museum (London).

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## CONTENTS

	<u>Page</u>
INTRODUCTION: Aims of the Study ... ..	1
<b>PART I: <u>GLASGOW MERCHANTS IN COLONIAL TRADE, 1770-1815</u></b>	
<b>Chapter 1 The Glasgow Colonial Merchant Community, 1770-1815:I</b>	
I. Number of Colonial Merchants, 1770-1815	4
II. Origin of Colonial Merchants ...	35
<b>Chapter 2 The Glasgow Colonial Merchant Community, 1770-1815:II</b>	
I. Economic and Social Position of Colonial Merchants in Glasgow, 1770-c.1800	67
II. 'Decline' of the Colonial Merchant Community, c.1800-1815 ... ..	82
<b>Chapter 3 Trading Methods and Organisation of Glasgow Tobacco Merchants, 1770-76</b>	
I. Specialisation in the Colonial Trades	99
II. Trading Methods and Organisation in the Tobacco Trade ... ..	104
<b>Chapter 4 Trading Methods in the West Indies Trade, 1770-1815</b> ... ..	145
<b>PART II: <u>GLASGOW COLONIAL MERCHANTS AND THE AMERICAN WAR OF INDEPENDENCE, 1775-1783</u></b>	
<b>Chapter 5 Glasgow Merchants and the Collapse of the Tobacco Trade, 1775-83</b> ... ..	
I. The Approach of the Collapse ...	173
II. The effects of Collapse ...	191
III. Pre-1775 Debts ... ..	200
IV. The Fate of Debts after 1783 ...	214
V. Bankruptcies and the Collapse of the Tobacco Trade ... ..	230

	<u>Page</u>	
Chapter 6	Colonial Trade and its Problems during the American War of Independence, 1775-1783	
	I. Tobacco Merchants and Trading Developments during the War ...	246
	II. Problems of Glasgow West India Merchants during the War: Direct Effects of Hostilities ...	262
	III. Problems of Glasgow West India Merchants during the War: Costs, Credit and Profit	295
<b>PART III: <u>GLASGOW COLONIAL MERCHANTS AND THE DOMESTIC ECONOMY, c.1770-1815</u></b>		
Chapter 7	Glasgow Colonial Merchants and Industry: I	
	I. Miscellaneous Industries ...	316
	II. Heavy industry ...	339
Chapter 8	Glasgow Colonial Merchants and Industry: II	
	I. Textiles ...	362
	II. The Cotton Industry ...	375
	III. General Analysis ...	400
Chapter 9	Glasgow Colonial Merchants and Land.	
	I. Extent and methods of land acquisition	410
	II. Availability of land in West-Central Scotland, 1770-1815 ...	420
	III. Reasons for land acquisition ...	428
	IV. Colonial Merchants and Agricultural Change ...	445
	V. Colonial Merchants and Transport Developments ...	463
CONCLUSION	...	474
APPENDICES	...	481
BIBLIOGRAPHY	...	613



APPENDICES

	<u>PAGE</u>
I Glasgow merchants in Colonial Trade ...	481
II Glasgow Colonial Merchant Community, 1770-1815	504
(a) Total number of colonial merchants obtaining burgess-ship 1751-1815.	
(b) Colonial merchants obtaining burgess-ship through purchase, marriage, apprenticeship, nomination, or honorary title.	
(c) Representation of colonial merchants in Merchant Bank groupings on Glasgow Town Council, 1775-1806.	
(d) Marital relationship of leading colonial merchant families.	
III Copartnership in Colonial Trade ... ..	523
(a) Interlocked partnerships in the tobacco trade.	
(b) Interlocked partnerships in the West Indies trade.	
(c) Family copartnerships.	
(d) Other copartnerships in colonial trade.	
IV Tobacco Imports, 1774-1783 ... ..	530
V Tobacco Trade during the American War ...	540
(a) Tobacco exports to Ireland and the Continent, 1777.	
(b) Quantities of tobacco remaining in the hands of each Importer at Greenock and Port Glasgow, 5 August, 1776.	
(c) Quantities of tobacco remaining in the hands of each Importer at Greenock and Port Glasgow, 4 February, 1778.	
VI Sugar Imports, 1773-1783 ... ..	545
VII Destination of vessels outwards from Port Glasgow and Greenock for North American and West Indian Ports, 1776-1782 ... ..	553
VIII Claims for fixed property compensation by Glasgow tobacco firms in Virginia, Maryland and North Carolina, 1775-1783 ... ..	556
IX Scale of Depreciation of Paper Money in the State of Virginia, 1777-81 ... ..	558
X Survival and Bankruptcy of Glasgow Tobacco Firms during the American War of Independence ...	559

XI	List of Creditors of Buchanan, Hastie and Co., and of its individual partners ... ..	564
XII	Glasgow Shipping and the American War ...	573
	(a) Insurance Premium Rates, 1776-80.	
	(b) Insurance Subscriptions, 1779.	
	(c) A. Houston and Co.'s Freight Charges for Sugar, 1775-79.	
	(d) Prices of West Indian Commodities, 1776-1780.	
	(e) Provision Prices in Barbados, Jamaica and the Leeward Islands, 1775-1783.	
XIII	Colonial Merchant Capital and Industry ...	581
	(a) Shares in Dumbarton Glasswork Co., 1789-1815.	
	(b) Shares in James Finlay and Co., 1795-1801.	
	(c) Abstract: Colonial Merchants and Industry.	
XIV	Landholding by Glasgow Colonial Merchants, 1770-1815.	594

Common Abbreviations

BM	...	British Museum
CSP	...	Court of Session Process
EUL	...	Edinburgh University Library
Econ. Hist. Rev.	...	Economic History Review
GCA	...	Glasgow City Archives
GRB	...	Glasgow Roll of Burgesses
GRS	...	General Register of Sasines
ML	...	Mitchell Library, Glasgow
NLS	...	National Library of Scotland
PP	...	Parliamentary Papers
PRO	...	Public Record Office
PRS	...	Particular Register of Sasines
SHR	...	Scottish Historical Review
SJPE	...	Scottish Journal of Political Economy
SL	...	Signet Library, Edinburgh
SRO	...	Scottish Record Office
UOS	...	University of Strathclyde
UP	...	Unextracted Process.

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## INTRODUCTION : AIMS OF THE STUDY

When Thomas Tucker, Cromwell's Commissioner for Customs and Excise, surveyed the ports of the Clyde in 1656 he was quick to point to Glasgow's emergence as 'one of the most considerablest burghs of Scotland' yet was equally certain that the town's ventures into the colonial trades had, by and large, proved abortive.<sup>1</sup> However, even before the Treaty of Union which gave Scottish traders official entry into the monopolies of the English Navigation Acts, this somewhat gloomy picture had been considerably modified. Even while Scottish colonial ambitions were being smashed in the 'Darren Disaster' Glasgow merchants were vigorously, if less dramatically, forging the links between the Clyde, Caribbean and North America which were to act as the essential bases for the expansion of the city's eighteenth-century tobacco and sugar importing trade.<sup>2</sup> Although both West India commodities and American tobacco were entering Glasgow in increasing quantities as the eighteenth century progressed it is a well known fact that the most dynamic sector of her external commerce was the tobacco trade to the colonies of Virginia, Maryland and North Carolina. From an average import of 1½ million lbs per annum in the years immediately following the Union there was rapid advance, especially from the 1740s; by 1771 an all time peak of importation was reached when forty seven million lbs of tobacco were shipped to all Scottish ports; Glasgow owned vessels

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1. Tucker's comments can be found in J.C. Marwick (ed.) Miscellany of the Scottish Burgh Boards Society (Edinburgh, 1881, 'Report by Thomas Tucker upon the Settlement of the Revenues of Excise and Customs in Scotland, A.D. 1656', 26.

2. T.C. Smout, The Development and Enterprise of Glasgow, 1556-1707, SJPE, VII (1960); Scottish Trade on the Eve of Union (Edinburgh, 1963), 80, 175-8; The Early Scottish Sugar Houses, Econ Hist Rev, 2nd ser, XIV (1961), 240-253.

landed about 98 per cent of this total.<sup>3</sup>

The collapse of this highly lucrative commerce in 1775-6 and its reduction after 1783 to much lower levels than before the American War of Independence left the sugar and cotton trade of the West Indies as Glasgow's major economic link with the planters of colonial America.<sup>4</sup> During the 1780s and early 1790s growth in this sector continued on a firm base of consumer demand for sugar, and industrial demand for cotton.<sup>5</sup> Before 1775 more than four times as many ships entered Port Glasgow and Greenock from North America as from the West Indies. By 1790 the number from each region was similar and Scottish trade with the West Indies was more important than trade with America.<sup>6</sup>

The broad outlines of Glasgow's activities in these two areas of colonial commerce have been considered by various historians. The seminal study by Professor Jacob Price, already quoted, attempted to explain the city's predominance in the tobacco trade;<sup>7</sup> J.H. Soltow, in a short study, explored some aspects of this commerce in Virginia itself;<sup>8</sup> James Gourlay's monograph was the first scholarly attempt to chart Glasgow's rise in North American trade.<sup>9</sup> The West Indies trade has been served less well; however Professor Smout's work on late seventeenth and early eighteenth century

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3. J.M. Price, The Rise of Glasgow in the Chesapeake Tobacco Trade, reprinted in P.N. Payne (ed.), Studies in Scottish Business History, (London, 1967), 299-300.

4. H. Hamilton, An Economic History of Scotland in the Eighteenth Century (Oxford, 1963), 249; R.H. Campbell, Scotland since 1707: The Rise of an Industrial Society (Oxford, 1965), 77-8.

5. Anon., The Rise of Glasgow's West Indian Trade, Three Danks Review, No. 38 (June, 1958).

6. Campbell, op. cit., 78.

7. Price, loc. cit., passim.

8. J.H. Soltow, Scottish Traders in Virginia, 1750-1775, Econ Hist Rev., 2nd ser., XII (1959), 83-98.

9. James Gourlay, A Glasgow Miscellany: the Tobacco Period in Glasgow, 1707-75, (privately printed, n.d.).

commerce has cast some light on it,<sup>10</sup> and Professor Hamilton constructed an index of the trade's expansion for the later period.<sup>11</sup>

Yet, scarcely anything has appeared on the men who organised these trades. The present study makes some effort to fill this gap. The intention was to investigate the number, origins and mores of the Glasgow colonial merchant community at a crucial time in its history. By selecting the years 1770-1815 for detailed examination it was hoped to obtain answers to several questions. How did the tobacco merchants react to the collapse of their trade in 1775? What was the organisation and methods of the city's colonial trades at this time? Did the remarkable expansion of the Scottish economy after 1783 have anything to do with a transfer of capital from the ruptured tobacco trade or was there no relationship between trade and industry? How did mercantile influence and power respond to the challenge of new urban élites which were reaping the benefits of the West of Scotland's incipient Industrial Revolution? Was there any connection between colonial profits and agricultural change through mercantile land purchase?

These are some of the problems which will be tackled in this thesis. For the sake of organisational clarity the study is arranged in three parts which are not mutually exclusive viz. 'Glasgow Merchants in Colonial Trade, 1770-1815', 'Glasgow Colonial Merchants and the American War of Independence' and 'Glasgow Colonial Merchants and the Domestic Economy'.

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10. See works cited in note 2, p.1, above.

11. Hamilton, op cit., 249, and Appendix XI.

**PART I**

**Glasgow Merchants in Colonial Trade, 1770-1815**

**CHAPTER I**

**The Glasgow Colonial Merchant Community, 1710-1815 : I**

- (I) Number of Colonial Merchants 1770-1815**
- (II) Origins of Colonial Merchants**

A satisfactory examination of the mores, trading methods and effects on the Scottish economy in the late eighteenth century of Glasgow's colonial merchants vitally depends upon achieving a reasonable assessment of the numbers actually involved in colonial trade between 1770 and 1815. This apparent truism conceals a thorny quantitative problem. Yet, it was possible to accumulate a reasonable sample of merchants, upon which general conclusions may safely rest. A merchant was included in the sample if he met in the first instance at least one of the following two criteria:

(a) whether he had attained partnership status in a Glasgow firm whose trading interests were primarily with the tobacco colonies of Virginia, Maryland and North Carolina before the outbreak of the American War of Independence in 1775. Merchants who were involved in U.K. - U.S.A. trade after 1783 - which obviously cannot be classified as 'colonial commerce' - but who did not appear in copartneries before or during the American War were omitted from the group.

(b) Whether he had attained partnership status in a Glasgow firm whose trading interests were primarily with the British West Indies.

Secondly, a merchant was included if, having fulfilled the above criteria, he had been admitted as a burgess and guild brother of the Burgh of Glasgow. Clearly this meant omitting merchants resident in and burgesses of the town of Greenock. Thus not all the colonial merchants who shipped goods to and from the Clyde will be considered here; indeed, the exclusion of Greenock men from the sample does represent a significant loss. Such men as James Gemell, founder of the Greenock Bank, Roger Stewart of Renachan, Walter Ritchie and John Kippen, all of Greenock, could compete in wealth and social prestige with all but the very cream of the commercial aristocracy of



Glasgow.<sup>1</sup> The Clyde Customs accounts for 1775 make it plain that such Greenock firms as Ewing and Ritchie, Coats and Whitelaw, Kippen, Campbell and Co. were making a significant contribution to the development of Clyde-Caribbean commercial relations.<sup>2</sup> Of 1,998 hogsheads of sugar imported into Greenock between July-October 1773, 518 hogsheads came in on the account of merchants of that port.<sup>3</sup>

In addition, from the enumeration of the above criteria, it should be immediately plain that no investigation is being attempted of Glasgow's total stake in trade to all colonies controlled by the government of the United Kingdom. Merchants involved in trade with Canada were only included if their major concern was in the tobacco and West Indian trades. They might also be included if they simply traded via Canada in order to penetrate American markets during the incidence of hostilities between 1775-83, or to circumvent non-importation agreements during the period of 'cold war' in the early 1770s.<sup>4</sup> Trade with Newfoundland, Nova Scotia and Quebec certainly formed a part of Glasgow commercial relations with Britain's transatlantic possessions<sup>5</sup> but for the purposes of this study Glasgow merchants who specialised in this sector have not been listed under the heading 'merchants in colonial trades'.

Similarly, persons engaged in trade to India and the Far East either

1. For these merchants see George Stewart, Curiosities of Glasgow Citizenship as Exhibited Chiefly in the Business Career of its Old Commercial Aristocracy (Glasgow, 1881), 247-250; UOS, Glasgow Chamber of Commerce Minute Book, 1783-87, 7; for number of Greenock merchants see ML, Chamber of Commerce MSS, B/15, List of Members of Glasgow Chamber of Commerce in 1787.

2. SRO, Customs Accounts, Greenock, E.504/15/25-26.

3. SRO, Customs Accounts, Greenock, E.504/15/23.

4. For a detailed examination of these trades vide infra, 259-61.

5. See, for example, SRO RH15/335, Sederunt Book of John Crawford and Co.; Crawfords shipped fish from Newfoundland to Catholic Europe; see also GCA, Letterbook of John Brown jun., 1772-1785.

through holdings in the British or one of the foreign East India Companies, or who operated as private traders in the East Indies, were excluded. The eighteenth century had witnessed an interesting penetration of Scotsmen into East Indies trade. John Drummond of Quarrell, was a Director of the Dutch East India Company.<sup>6</sup> Scions of some of the most illustrious names in Glasgow's commercial history traded in the East Indies and remitted their profits to their relations at home. Thus George Bogle was remitting around £500 per annum to Glasgow to relieve the financial position of his father.<sup>7</sup> William Cunninghame, one of the wealthiest tobacco merchants in the city sent his son to India in the 1780s and he himself had financial interests in the East India Company.<sup>8</sup> On a broader scale, the return of rich 'nabobs' from the Indies, their ostentatious flourishing of material possessions and their penetration into the landed elite of west-central Scotland was a well known phenomenon to the social observers of the period.<sup>9</sup> In addition, it is clear that Glasgow cotton merchants were, at least from the early nineteenth century, pursuing a policy of clandestine infiltration into direct trade with India and the Far East.<sup>10</sup>

The elimination of the commercial interests thus far described from this study proved a relatively easy matter. The overwhelming impression gained

6. Some of his papers are preserved in the Scottish Record Office; see SRO, GD24/464-99; 829-30 (Abercairny Muniments).

7. ML, Bogle MSS, Bundle 54, William Scott to George Bogle, 20 November, 1780.

8. View of the Political State of Scotland in 1788 (MS copy in Mitchell Library, Glasgow), 30; SRO, GD247/141, Statement of Income for 1800.

9. See, for example, A. Allardyce (ed.), Scotland and Scotsmen in the Eighteenth Century from MSS of John Ramsay of Ochtertyre (Edinburgh, 1888) II, 216-17.

10. This was true of James Finlay and Co., the leading cotton manufacturers in Glasgow and the West. See Anon., James Finlay and Co., 1750-1950 (Glasgow, 1951).

from the Customs Accounts and mercantile papers examined in the course of research was that, for the most part, merchants involved in the West Indies and tobacco trades were a readily identifiable group. The main financial interests of these men tended to lie in firms which specialised in the importation of tobacco, sugar, rum and cotton. They had diverse and scattered shares in underwriting,<sup>11</sup> domestic industry<sup>12</sup> and, above all, in land,<sup>13</sup> but, except for the few cases which will be discussed below<sup>14</sup> it was plain that they had made their fortune in, and that until their death their major income came from, colonial trade. A rapid perusal of the assets of six merchants, of varied interests, whose papers are extant, will serve to verify this point.

Alexander Speirs began his commercial career with a small bequest given him by his father, a merchant in Edinburgh; however, even by the time he was 41 he was still 'possessed of but a modest fortune.'<sup>15</sup> Yet nineteen years later, profits from his interests in the tobacco-importing companies of Speirs, French and Co. and Speirs, Bowman and Co. reached over £27,000 per annum.<sup>16</sup> In 1780 his landed property was valued at £111,081.<sup>17</sup> A statement of his assets in 1770 shows the bias of his financial interests:<sup>18</sup>

TABLE 1 : Alex. Speirs's holdings, 1770

£55,057..4..0	in 'Virginian concern'
£ 7,410.19..9	in 'Maryland concern'
£18,141..3..7½	in domestic industry and banks
£ 1,778..9..4½	in 'occasional transactions' including canal shares

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11. Vide infra, Appendix, XII/b.
12. Vide infra, Chs. VII - VIII.
13. Vide infra, Ch. IX.
14. Vide infra, II-13.
15. SL, CSP, 180/7, Answers for Arch Speirs of Elderslie ... 2.
16. GCA, Speirs Papers, TD131/4, ledger C, 1.
17. GCA, Speirs Papers, TD131/5, ledger D; see Appendix
18. Ibid., TD131/6/1/A, State of Private Affairs of Alexander Speirs esq., December 1, 1770.

As his son, Archibald, pointed out, '... Mr Speirs, by his industry and success in the tobacco trade, acquired a fortune.'

William Cunninghame, who by the 1790s had retired from active participation in trade, was yet receiving £3,255..6..0 in 1800 from the West India firm of John Ferguson and Co. (formerly Robert Dunmore and Co.).<sup>20</sup> A detailed breakdown of his other sources of income shows that this figure compares handsomely with them:<sup>21</sup>

TABLE 2 : W. Cunninghame's income: 1800

Land Rentals (less ministers stipends, assessed losses and feu duties)	: £3,696..6..0
East India Stock	: £ 436..5..6
Government securities	: £ 104..4..5
Bills Receivable	: £ 13..0..0

John Leitch, a West India merchant, held £56,696..5..4½ in various concerns in 1797. Over £45,000 of this sum was lodged in the sugar-importing firms of Leitch and Smith, Corbett Russell and Co., Robert Gordon and Co., and in George Yuille and Co., tobacco importers.<sup>22</sup>

Archibald Ingram, one time Lord Provost of Glasgow and patron of culture, had £400 of his £2,984 of assets in the Academy of Painting, yet the remaining £2,584 were divided between two tobacco firms, George Kippen and Co. and Ingram, Kippen and Co.<sup>23</sup> James Somervell of Hamilton Farm who held, at one time or another, interests in both sectors of colonial commerce,<sup>24</sup> was by the year of

19. SL, CSP180/7, Answers for Arch. Speirs of Elderslie ... 2.

20. SRO, GD247/141, Jotting of Income, 2 Oct., 1800.

21. Ibid.

22. GCA, Journal of John Leitch, 1793-1806, 1-7.

23. Baillie Inst., Library, Sederunt Book of the Trustees of Provost Archibald Ingram, 44; see J.R. Kellet, 'Private Incomes of Glasgow's Lord Provosts', Accountants Magazine (1968), 598.

24. SRO, UP1 Currie MACK B5/8, Thomas Buchanan versus Bogle and Somervell (1778). He had been a member of the latter company who were extensive tobacco importers. Vide infra, 235-43.

his death in 1791 heavily involved in two West India concerns, David Russell and Co. and Somervell, Gordon and Co. His holdings in these two amounted to £13,439 and his only other major source of income, the rental of his estate of Hamilton Farm yielded a mere £480.<sup>25</sup> John Glassford, son of a Paisley burgess, had by dint of perseverance in the tobacco trade, accumulated a fortune of £40,000 by the time of his death in 1783.<sup>26</sup>

James Dunlop was the only merchant of those investigated and included in the total of 'merchants in colonial trade' whose income from land and domestic industry exceeded his earnings from colonial commerce. After the American War of Independence his interests in the tobacco trade seemed to fade considerably while at the same time his involvement in land, coalmining and other industries developed at a spectacular rate.<sup>27</sup> By the time of his bankruptcy in 1793 no income from colonial trade could be traced, his personal accruals in that year being £3,898 from land rents, £2,037 from collieries and £3,900 from other industrial units.<sup>28</sup> Yet it is clear that the financial base for his ventures into other sectors of the economy was created by his pre-1783 interests in the tobacco trade. Both as successor to his father Colin's wealth - the result of his profits from tobacco importation - and as a result of his own endeavours in Colin Dunlop and Sons, 'Virginia Merchants', he was by 1783 worth £30,000.<sup>29</sup>

It would be tedious to continue further quotation of similar examples. It seems evident that it is possible to speak of merchants who 'specialised

25. GCA, Sederunt Book of James Somervell, 1791-97, 13.

26. Baillie's Inst., Library, J.T. and A. Douglas and Co. versus John Glassford, 34652/F/16-17.

27. Vide infra, 358-61.

28. GCA, Papers of James Dunlop, State of J. Dunlop's Affairs, 1793; SL CSP406/21, Petition of James Dunlop, late of Garnkirk, 14 June, 1799, Appendix.

29. SL, CSP, 406/21, Appendix, 2.

in colonial trade'. The researcher engaged on a study of the late eighteenth century merchant community is thus presented with a higher stage of commercial sophistication than was Professor Smout in his analysis of Glasgow's merchants in the seventeenth century.<sup>30</sup> Then most persons interested in overseas trade were 'general merchants';

How far the sea adventurers can be ... subdivided into French traders, American traders, Baltic traders or Dutch traders - or as tobacco merchants, wine merchants, iron merchants and so on - is extremely doubtful. Most seventeenth century merchants who were rich enough to own ships were general merchants, who sold what they could wherever they found a market, and bought whatever they found in the world, which they believed they could sell at Glasgow.<sup>31</sup>

Instances can, of course, be found of merchants who, while specialising between 1770-1815 in the importation of sugar and tobacco, did freight other cargoes to other areas in addition to Virginia, Maryland and the Caribbean. Robert Dunmore and Co., West India merchants, were exporting wheat to Newfoundland in 1782;<sup>32</sup> at other times they were carrying linen and salted beef there.<sup>33</sup>

Francis Gordon and Co. whose main interests were also in the Caribbean trade were freighting '15,000 dried fish called haberdines' to Lisbon in 1781 and bringing back lemons and oranges to the Clyde.<sup>34</sup> Dennistoun, Buchanan and Co., West India merchants, took advantage of the capture of Buenos Ayres in 1806 to try to establish (like so many other English and Scottish merchant houses) a permanent connection with South America. However, their correspondence shows that this was merely an 'adventure', something distinct from their primary concern in sugar importation from the British West Indies. As

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30. T.C. Smout, 'The Glasgow Merchant Community in the Seventeenth Century, SHR, Vol. 47 (1968); there was also some division, though not a black and white one, between tobacco merchants on the one hand and West India traders on the other. Vide infra, 99-103.

31. Ibid., 65.

32. SRO, Customs Accounts, Greenock, E.504/15/36.

33. Ibid., E.504/15/39.

34. Ibid., E.504/15/35.

they pointed out in 1806 'Our knowledge hitherto of Spanish America is limited and vague.'<sup>35</sup> Indeed the Customs Accounts for Port Glasgow and Greenock leave little doubt that tobacco and West India firms were very much on the periphery of other trades.<sup>36</sup>

While firms presented little difficulty it was occasionally a perplexing problem to decide whether particular individuals ought to be numbered in the list of colonial merchants. Each ambiguous example was assessed on its merits. Walter Monteath was described in 1786 as having been 'for some years' the manager of the Tanwork Company in Glasgow,<sup>37</sup> yet his name was added to the list of colonial merchants, because of his extensive holdings in the tobacco firms of Glassford, Gordon, Monteath and Co., and Ramsay, Monteath and Co.<sup>38</sup> Similarly, Moses Steven was nominated as a colonial merchant although he had begun his business career as a wholesale linen merchant and had entered the Merchants House in 1790 as a 'home trader'.<sup>39</sup> Later, however, Buchanan, Steven and Co. moved into the West Indies, eventually into the South American trades and established close partnership links with a famous Glasgow sugar-importing house, Dennistoun, Buchanan and Co.<sup>40</sup>

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35. SL, CSP 287/4, Dennistoun, Buchanan and Co. to Thomas Reid, 4 October, 1806. They considered Buenos Ayres as 'a secure British' conquest and emporium', *ibid.*, Answers for Will. Robertson, 8 May, 1814.

36. There was even specialisation within a particular sector of colonial trade. Thus the copartneries of tobacco firms often specified whether trade was to be with Virginia or Maryland or North Carolina.

37. SRO, GD247/140, Information for Robert Bogle of Shettleston, 1.

38. PRO, AO12/9/37; SRO, CE60/1/8.

39. Reprint of Jones' Directory or Useful Pocket Companion for the year 1787 with an Introduction and Notes of Old Glasgow Celebrities by 'the Rambling Reporter' (Glasgow, 1808); GCA, Papers of Merchants House of Glasgow, Matriculation Book, 1768-1830, entries for 1790.

40. J.O. Mitchell, Old Glasgow Essays (Glasgow, 1905), 108.

By 1807, Moses Steven was registered as a member of the Glasgow West India Association.<sup>41</sup>

On the other hand typical exclusions from the group were James Johnstone and Robert Carrick. Johnstone had been engaged in 'a plantation concern' in Tobago and a 'Virginia concern' with Neil Bannatyne and George Buchanan. Robert Carrick had also been interested in these two ventures. However, it is clear from the breakdown of the assets of the two men at their deaths, that income from colonial trade formed but a relatively minor proportion of their overall returns. Johnstone had begun business as a hosier and had 'chiefly made his fortune' in the stocking trade.<sup>42</sup> All his other interests were subordinate to this.<sup>43</sup> Robert Carrick's major undertakings were in printing, linen merchanting and banking.<sup>44</sup>

In certain colonial copartnerships, one comes across the names of landowners. Thus Robert Taylor of Kirktonhill held one fifth of the capital in George McCall and Co., Virginia Merchants.<sup>45</sup> Richard Cameron of Carn-  
tyne had an interest in Buchanan, Hastie and Co.<sup>46</sup> Since neither of these men could be traced in the Glasgow Roll of Burgesses<sup>47</sup> and since their involvement in trade was likely to be very much peripheral to their major function of landownership, they were not regarded as 'Glasgow merchants in colonial trade'.

41. ML, Abstract of Minute Books of Glasgow West India Assoc., Individual Subscriptions, 6.

42. GCA, Reg. of Deeds, B.10/5/7740, Indenture, James Johnstone and John Gardner, 1772; SL, CSP.413/28, Petition of Andrew Thomson and others, 4.

43. Ibid.

44. 'Robin Carrick's Will', in Mitchell, op. cit., 164-180.

45. GCA, Probative Writs, B.10/12/9, Copartnership Agreement of George McCall and Co.

46. Glasgow Mercury, 1 January, 1784.

47. J.R. Anderson (ed.), The Burgesses and Guild Brethren of Glasgow 1573-1750 (Edinburgh, 1925); J.R. Anderson (ed.), The Burgesses and Guild Brethren of Glasgow, 1751-1846 (Edinburgh, 1935). These printed lists of Glasgow burgesses are henceforth cited as GRB I and II respectively.



A third category of individuals whose names appear in West Indian and tobacco trade partnerships and yet were not included in the total were factors of firms who were not resident in Glasgow and were not registered burgesses and guild brethren of the burgh of Glasgow. As will be discussed later,<sup>48</sup> it was the common practice of such firms, dependent as they were on overseas representatives, to give chief factors a financial interest in the company as a stimulus to diligence and loyalty. Their shares were normally minimal and several had first made the grade as indentured servants; their names have only been inserted in the grand total of colonial merchants where evidence existed to suggest that they were registered burgesses of Glasgow. A good example of the type of factor who was included was Glassford Gordon and Co's representative in Virginia, Neil Jameson. He spent the greater part of his commercial career in that state, but he was a burghess of Glasgow,<sup>49</sup> retained close contact with his relations in the town<sup>50</sup> and was a major stockholder in the firm.<sup>51</sup> In addition, one or two of the most eminent merchants in the colonial trades, such as William Cunninghame,<sup>52</sup> began as factors in Virginia or Maryland to established companies and then went on to form their own concerns; these were of course included.

Once the criteria for inclusion or omission had been firmly established it was possible to begin the laborious search for those men who could be

48. Vide infra, 119-21.

49. GRB II, 1762; PRO, AO 12/55/46-58.

50. His daughter married James McDowall, of the West India house of Alexander Houston and Co., SRO, GD237/151/3, Neil Jameson to Arch. Tod, 21 Oct., 1793; his son was educated at Glasgow University and in 1780 won a prize 'for the Best Essay on the Effect of Reasoning and Inference in particularising General Terms, as illustrated by the Greek language, W. I. Addison (ed.), Prize Lists of the University of Glasgow, 1777-1833 (Glasgow, 1902), 7.

51. PRO, AO 12/55/46.

52. SRO, GD247/140, Answers for William Cunninghame, late of Falmouth, 1.

enumerated under the heading 'Glasgow merchants in colonial trade'. It was the author's declared intention to include all such merchants who were alive in 1770 on the one hand and all those who had managed to reach partnership level by 1815 on the other. The starting point was an investigation of petitions to government by tobacco and West India merchants. This material generally provided a list of those who had subscribed to the petition and thus gave a hard core of identifiable merchants which would prove useful in the examination of customs accounts.<sup>53</sup> A search through the lists of merchants in the various Glasgow directories of the late eighteenth century proved less worthwhile since the general term 'merchant' proved too imprecise for the investigator's purpose. The Glasgow Chamber of Commerce lists suffered from the same flaw.<sup>54</sup> The extant Minute Books of the Glasgow West India Association founded in 1807 proved invaluable, however. In the entries of subscriptions to the Association a full list was given of all West India firms and individual West India merchants operating in the city at that date.<sup>55</sup> Thereafter new recruits to the trade were annually enlisted as members.<sup>56</sup>

With names extracted from these sources and from nineteenth century accounts of Glasgow's 'golden age' in colonial trade<sup>57</sup> an effort was made to

53. Such petitions included, ML, Chamber of Commerce MSS, B/7, Address of the West India Merchants to Gilbert Hamilton, 11 February, 1783; Memorial of the Merchants in Glasgow interested in the tobacco and sugar trade, 7 March, 1783; EM, Shelburne MSS, 87/8, Address of the Tobacco Merchants of Glasgow to Lord Shelburne.

54. These lists are available in the Chamber of Commerce MSS preserved in the Mitchell Library, Glasgow, and were compiled for the annual election to Directorships in the Chamber. They are not reproduced in the Minute Book of the Chamber.

55. ML, Abstract of Minute Books of Glasgow West India Association, Company and Individual Subscriptions, 6-8.

56. Ibid.

57. Stewart, op. cit. passim; Mitchell, op. cit. passim; (J.M. Reid) Glasgow Past and Present, 3 vols (Glasgow, 1884); H.B. McCall, Memoirs of My Ancestors (Birmingham, 1884); anon., The Old Country Houses of the Old Glasgow Gentry (Glasgow, 1870); James Gourlay, A Glasgow Miscellany (privately printed n.d.).

locate the partnerships in which the various individuals were concerned. Newspapers were employed by firms to signify when a particular partnership was being wound up. Commonly such announcements gave the names of the individual partners.<sup>58</sup> The petitions of Glasgow tobacco firms for compensation after the American War to the 'Loyalists' Commission' in London also afforded an insight into partnership groupings since companies normally gave a summary of their growth prior to 1775.<sup>59</sup>

At this point, with a considerable batch of merchants already traced, it became possible to approach the more intractable corpus of legal records. With the collected names to hand, the massive indexes of the Court of Session Unextracted Processes and the Glasgow and National Registers of Deeds were examined for the period c. 1770-1815. Wherever a name on one of these indexes, with place of residence given as Glasgow, matched a name on the list of merchants already collected, the process or the deed was examined. This technique proved very laborious and often fruitless. The aridity of the exercise was occasionally relieved, however, by the series of partnership agreements which were discovered and above all by the richness of material produced in proceedings of sequestration, when ledgers, letter books and journals of the firm concerned were brought before the Court.

The Customs Accounts of Greenock and Port Glasgow were less productive. Although invaluable in that they allowed the researcher to outline the importance of the various firms, as measured by their importation of sugar and tobacco, they did not supply the names of firms' members. Customs dues

58. Among the contemporary newspapers examined for the purpose were the Glasgow Mercury, 1773-95; Glasgow Courier, 1792-1816; Glasgow Herald and Advertiser, 1805-16; Glasgow Journal, 1770-5, 1793. For a full list of such sources see Bibliography.

59. These petitions are preserved in the Public Record Office, London, Audits Office, Petitions and Compensations of American Loyalists, 1785-9.

were usually paid in the names of the managing partner(s) of a company or by their representatives in Greenock and Port Glasgow.

With a gross total of merchants calculated, a check was made through the Glasgow Roll of Burgesses for the eighteenth and early nineteenth centuries to make sure that all the names had been registered as burgesses and guild brethren of the burgh and were not merchants from other Clyde towns or from areas further afield. When this process was completed it was calculated that between 1770-1815 there were around 165 merchants engaged in Glasgow's colonial trades at full partnership level. Every effort was made to ensure that each merchant was accounted for and included in the list. Inevitably some must have escaped the net; it is suggested however that they were likely to have been of minor importance. Moreover, several of those men included were operating only a few years into our period when death or bankruptcy brought their commercial career to an end.<sup>60</sup> It would therefore be fair to conclude that the gross figure of 165 is not likely to be substantially incorrect. Appendix I enumerates the merchants and their known copartnerships.

What strikes one immediately about this figure is how relatively small the colonial merchant group in Glasgow was at this time. This first impression is reinforced if the number of such merchants obtaining burgess tickets between 1751-1817 is compared with the grand total of persons being admitted to the 'merchant rank in the burgh of Glasgow in the same period.<sup>61</sup> In the five years, 1751-55, fourteen persons whose names later appeared in colonial trade partnerships achieved burgess status; the corresponding

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60. For example Andrew Cochran (d. 1777), Arthur Connell (d. 1779), Colin Dunlop (d. 1777); George Bogle bankrupt 1772 - ML; Bogle MSS, Dundee 54, Trustees of Daldowie to George Bogle, 3 March, 1779.

61. For a detailed breakdown see Appendix II/A. Subsequent figures in the list are all taken from GRB II for the various years.

figure for all merchants was 148. In subsequent years the gap widened:

TABLE 3

Years	Total No. of Colonial Merchants	Total No. of Merchants
1766-70	16	158
1776-80	21	236
1786-90	7	381
1801-5	4	195
1811-15	1	278

TABLE 4

Percentage of Colonial Merchants obtaining  
Burgess-ship, 1766-1815

1766-70	:	10.1	per cent
1776-80	:	9.0	" "
1786-90	:	1.8	" "
1801-5	:	2.1	" "
1811-15	:	0.4	" "

To some extent the small number of colonial merchants in relation to their fellows in other fields of commerce simply results from the semantic implications of the term 'merchant'. The impression given in the burgess roll is that the expression covered almost all of those who were not 'craftsmen'. By becoming a merchant burgess of Glasgow, an individual was simply given general permission to trade and the right to belong to the charity hospital of the merchants.<sup>62</sup> The Matriculation Books of the latter instit-

62. For regulations governing admission of burgesses see J.C. Marwick (ed.), Charters and other Documents relating to the City of Glasgow, 1175-1649 (Scottish Burgh Recs. Society, 1897), Pt. I, DCV - DCXX.

ution demonstrate clearly that 'merchant' was a polyglot title for a whole variety of more specialised occupations.<sup>63</sup> Daniel Defoe proposed that in England, by the early eighteenth century, the word 'merchant' was 'understood of none but such as carry on foreign correspondence.'<sup>64</sup> The situation north of the Border was, however, more akin to what Professor Willan has described for England in the late sixteenth century: then 'merchant' applied 'pre-eminently to all who made a business of buying for resale.'<sup>65</sup> In Glasgow, two centuries later, shopkeepers were denominated 'merchants in Glasgow.'<sup>66</sup> Likewise George Stirling was categorised as a 'merchant' although he was a partner in William Stirling and Sons, calico printers.<sup>67</sup> Only in the early 1800s does the term 'manufacturer' begin to appear, albeit very occasionally.<sup>68</sup> Specialisation of function in domestic trade and industry had not matured sufficiently for any but vague terms to be used. As the Directories of the city at this time illustrate, the norm was for individuals to combine the function of merchants, yarn printers, underwriters and bankers; only gradually were responsibilities for each area shifted on to the shoulders of specialists.<sup>69</sup>

Clearly, however, the ambiguity of the term 'merchant' does not offer a full explanation of the relatively minor proportion of Glasgow burgesses involved in the colonial trades. The most plausible reason would appear to

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63. GCA, Records of Merchants House of Glasgow, Matriculation Book, 1768-1830.

64. Daniel Defoe, The Complete English Tradesman, 2 vols. (London, 1745), reprinted in Works, Vol. 17-18 (Oxford, 1841), II, 2.

65. T. S. Willan, The English Coasting Trade (new ed., Manchester, 1967), 47-8.

66. GCA, Reg. of Deeds, B.10/5/8152, Contract of Copartnership 'twixt Duncan Graham and John Burnside, 4 May, 1779.

67. GRB, II, 1815.

68. GRB, II, passim.

69. Vide infra, 95-9.

be the relatively extensive financial resources necessary to obtain entry into a partnership which specialised in sugar or tobacco importation.

One of the major elements in these necessary resources was the ability to pay customs duties on sugar and tobacco, or to be sufficiently rich to attract credit for the payment of such duties. The period 1770-1815, which witnessed twenty eight years of war and as a consequence heavy government demands on the revenue, was particularly noteworthy for the level of duties exacted. Charges, which had run at 6/3 <sup>7</sup>/<sub>10</sub> per hogshead of sugar in 1775 had, by 1782, almost doubled to 12/3 <sup>2</sup>/<sub>5</sub>.<sup>70</sup> Some idea of the kind of sums which would have to be subscribed by merchants on the landing of a cargo can be given by the example of the sugar imported by the Albion from St. Kitts in October, 1775.<sup>71</sup> The vessel carried 70 'casks' of sugar. On these, Alexander Houston and Co. had to pay £290..18..11. The total value of the cargo was £1,275..2..10.<sup>72</sup> In the same year £566..13..1 was paid as duty on 40 hogsheads of tobacco.<sup>73</sup> Yet the instances of individual shipments do not completely demonstrate the extent of the sums demanded from most firms which imported colonial produce: according to the Customs Accounts for Greenock and Port Glasgow in 1774, only nine of the thirty six tobacco firms landed less than 200 hogsheads.<sup>74</sup> In normal conditions, the duties on such imports

70. L.J. Ragatz The Fall of the Planter Class in the British Caribbean, 1763-1833 (London, New York, 1928), 164.

71. NLS, MS 8799, Alexander Houston and Co. Salebook, No. 3, 2. Miss Benson suggested that 'import charges' were paid by the planters (N.M. Benson, 'The London West India Interest in the Eighteenth Century', Eng Hist. Rev., XXXVI (1921), 385). This point is irrelevant to the present discussion; as will be argued (vide infra), merchants paid the 'import charges' in the first instance; they were, of course, then paid by the planter in the form of freight charges to the merchant.

72. For other examples see ibid., passim, and for tobacco, CCA, TD131/3, Day Book of Speirs, French and Co., 1777-82.

73. 'Hogsheads' varied by the early 1770s between 750-950 lbs nett weight, Gourlay, op cit., 18; SRO, E.504/15/25.

74. SRO, E.504/28/23-4; E.504/15/23-5. )

put a strain on the credit of even established merchants<sup>75</sup> during periods of high revenue demand. As one mercantile petition put it, 'the necessary outlay make such duties prohibitive.'<sup>76</sup>

The government did little to aid hard-pressed merchants; duties paid on imported sugar and tobacco lay in the hands of the Customs Officers until the commodities were either used for inland sale or were exported. If sugar was re-exported 'duties... were wholly drawn back' and merchants consistently exerted pressure throughout the 1780s to enable the product to be warehoused in security and duties only paid when it was taken out of bonded stores for inland sale and consumption.<sup>77</sup> Such pleas had little effect, however, and it must be concluded that the large amounts required to pay customs duties were one factor in reserving the colonial trades for all but the wealthiest merchants in Glasgow.

Finance on a large scale was also required if trade with planters, whether in America or in the Caribbean, was to be carried on satisfactorily. The methods and structure of the sugar and tobacco trades will be analysed in depth in Chapters 3-4;<sup>78</sup> here it is intended merely to stress the amount of capital required to prosecute the trades successfully.

The Clyde-North America tobacco trade by the early 1770s was normally based on a system by which merchants sent out goods to their stores in Virginia and Maryland. These articles were then purchased by planters on credit on condition that subsequent crops of tobacco would be consigned to the storekeeper. This system, though a major factor in Glasgow's success

75. SRO, GD247/140, Information for Robert Bogle of Shettleston..., 2-4.

76. UOS, Minutes of Glasgow Chamber of Commerce, 6 July 1784, 63, Memorial of the Sugar and Tobacco Merchants of Glasgow.

77. Ibid., ML, Chamber of Commerce MSS, B/9, Extract from a Report from the Commissioners of Customs in Scotland, 10 June, 1783.

78. Vide infra, 99-172.



in the eighteenth century tobacco trade, demanded of necessity extensive credit and personal resources. James Gibson, writing his History of Glasgow in 1777, asserted that 'returns were not made in less than eighteen months';<sup>79</sup> another contemporary asserted that -

It is generally understood, that in the tobacco trade it requires from £25 - £30 to be sunk in America for every hogshead of tobacco imported, and this exclusive of shipping charges and other expenses.<sup>80</sup>

In addition, the extant correspondence of tobacco firms plainly illustrates that in order to obtain permanent contact with planters, it was invariably essential to lend them an initial sum and to buy at least part of their crop for cash and/or bills of exchange.<sup>81</sup>

Sugar importation from the Caribbean led to similar financial demands on the merchant. The establishment of a sugar plantation in the West Indies has been described as 'one of the most arduous undertakings of European colonists in the New World'.<sup>82</sup> Whatever the physical difficulties involved, the financial burdens were scarcely less exacting. The conversion of a section of tropical jungle into an economic asset and the stocking of it with negro labour pressed hard on the resources of planters. A major source of credit for them was the U.K. merchant to whom they consigned their sugar and from whom they bought stores and equipment. In 1776 the chief agent for the Glasgow house of Alexander Houston and Co. was emphasising that new planter-customers could only be acquired for 'permanent trade' if an advance

79. James Gibson, History of Glasgow, (Glasgow, 1777), Preface VII.

80. SL, CSP 162/3. Information for James Dougal ... 44. Vide infra for a detailed discussion of the credit needs of the tobacco trade.

81. Vide infra, 138, 143-4.

82. F.W. Pitman, 'The Settlement and Financing of British West Indian Plantations in the Eighteenth Century' in Essays in Colonial History presented to Charles Maclean Andrews (Newhaven, Conn., 1931), 255.

of credit was made to them in the first instance<sup>83</sup> and the correspondence of the firm with their agency house in Jamaica suggests that granting of such credit was a normal and essential element in merchant-planter relations.<sup>84</sup> Extension of credit was bound to occur in the incidence of the trade itself. That 'malignant organism, a West India debt' had its origin in the fact that crops consigned to a merchant were principally to pay for goods sent out some months before and by the planter's obligations being met by bills of exchange drawn on the trader.<sup>85</sup>

The extent of personal funds required to undertake colonial commerce was therefore the basic economic limitation on recruitment. This fact is borne out by a sampling of shares in various colonial trade partnerships.<sup>86</sup> The lowest individual shares belonging to Glasgow merchants in the firms examined was £750. Sums of this amount were relatively few however; the average would appear to lie somewhere between £1,000 - £1,200. Such individual shares were usual even among relatively small companies. Thus Baird, Hay and Co. who only imported 41 hogsheads of tobacco in 1774 (out of a gross importation for the Clyde of 31,090 hogsheads)<sup>87</sup> had their total capital of £10,000

83. NLS, MS8793, A. Houston and Co. to John Paterson, 2 December, 1776.

84. Ibid., A. Houston and Co. to Messrs Houston and Paterson, 4 January, 1777.

85. This subject will be discussed in detail below. See R. Pares, A West India Fortune (London, 1950), 239-49; Ragatz, op. cit., passim; S.G. Checkland, 'Finance for the West Indies, 1780-1815', Econ. Hist. Rev., 2nd ser. X (1958), 461-9.

86. The following copartnerships were examined for this survey: Thomson, Snodgrass and Co., Tobacco Merchants (GCA, Probative Writs, B.10/12/4); Eogle, Graham and Co., W.I. Merchants (GCA, Reg. of Deeds, B.10/5/7552); McCall, Elliot and Co., Tobacco Merchants (GCA, Reg. of Deeds, B.10/5/8270); Buchanan Hastie and Co., Tobacco Merchants (GCA, Probative Writs, B.10/12/4); Alexander Cunninghame and Co., Tobacco Merchants (SRO, GD247/58/P/1); Findlay, Hopkirk and Co., Tobacco Merchants (SRO, RH 15/2232); John Campbell sen and Co., West India Merchants (ML, Campbell of Hollyards Papers); William Cunninghame and Co., tobacco merchants (SRO, Reg. of Deeds, 309/2/58 DUR); John McCall and Sons, West India Merchants (SRO, BCPII, 62, 556.); Baird, Hay and Co., Tobacco Merchants (GCA, Journal of Baird, Hay and Co.). Some effort was made to present a miscellany of large and small firms and specialists in tobacco or sugar importation.

87. SRO, E 504/15/23-4.

divided thus:-<sup>88</sup>

TABLE 5 : Shares in Baird, Hay and Co.

James Baird	$\frac{1}{2}$	£2,500			
John Hay	$\frac{1}{2}$	2,500			
Ninian Menzies	$\frac{1}{2}$	2,500			
Peter Hay	$\frac{1}{4}$	1,250	(Merchant in Virginia)		
John Hay	$\frac{1}{4}$	1,250	"	"	"

Movement into the higher echelons of the community was possible<sup>89</sup> but the 'entry fees' demanded could only be satisfied by a few. To be a member of John Campbell sen. and Co., one of the premier West India firms in Glasgow in the early nineteenth century, required a minimum subscription to the capital stock of £12,810 in 1812.<sup>90</sup> At the same time, one cannot escape the conclusion that entry was also restricted by established groups already prospering from trading profits. One ought not to press the point too far because, as will be argued below, many did make the grade throughout our period from out-with existing merchant families.<sup>91</sup> However, high profits from the importation of exotic commodities depended on, among other things, the relative scarcity of the supplies of sugar and tobacco from the colonies and this in turn meant that their importation ought not to be open to all.

Entry into both domestic and foreign trade had already been controlled for centuries by the burgh system. No one could become a burgher of the burgh of Glasgow (and thus obtain general permission to trade) unless he had been examined by the Dean of Guild as to his training and character: 'all kynd of infamous and deboischt men of evill lyf and conversation' could be

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88. GCA, Journal of Baird, Hay and Co.

89. Vide infra, 36-40.

90. ML, Campbell of Hollyards Papers, Contract of Copartnery of John Campbell sen and Co., 29 June, 1814. Adam Smith The Wealth of Nations (ed. E. Cannan) (London, 6th ed., 1950), I, 92; H.G. Graham, Social Life of Scotland in the Eighteenth Century (London, 1899), passim.

91. Vide infra, 35.

excluded.<sup>92</sup> By the end of the eighteenth century, the financial conditions for burgh-ship - the requirement to be worth £100 Scots (about £8 sterling) unencumbered by debt - or to become guild brethren - to be worth £500 Scots (£27 sterling) - was hardly likely to operate as an obstacle to persons eager to become a colonial merchant. Control of entry could be operated in a more subtle and effective fashion. Partners in firms in colonial trade were allowed a maximum period of two years, and often much less, to pay up their share of stock.<sup>93</sup> Exceptions could be, and were made for friends or relatives of existing partners who lacked the ability to raise the large sums required in such short periods. Thus in 1768 the firm of John McCall and Co., Virginia Merchants, was re-formed; the 'standing partners', John McCall, James Wardrop and Allan Love merely subscribed their existing shares. Another merchant, Alexander Elliot, was however to be involved in the new partnership of McCall, Elliot and Co. with a 25 per cent share of the total capital of £10,000. He was given six years to pay this up 'in two equal moieties'; the first not until 1770, two years after the signing of the copartnership, and the second in 1774.<sup>94</sup> By that date, of course, he would almost certainly have acquired a sufficient fortune from his share to enable him to contribute to the capital stock.

Colonial trade was not a sector into which the adventurer, living on

92. This discussion of entry to burgh-ship is based on Marwick, Charters and Other Documents relating to the City of Glasgow, Pt. I., DCV - DCXX.

93. This fact emerges from a study of the copartnerships cited on p. 22, N. 86.

94. GCA, Reg of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc. There were certainly very valid economic reasons why merchants wished to limit entry, apart from any desire to create monopoly profits. The nature of the West Indies trade especially, required a certain degree of 'mutuality' among merchants for their own financial security. Vide infra, 44-50.

marginal resources and desirous of the quick speculative profit could easily penetrate. Personal wealth, hard work until financial resources were acquired or family connection were the essential bases on which successful careers in the tobacco and West Indies trade, by the late eighteenth century, were built. Obviously, there were examples of daring men, deficient in capital yet with sufficient nerve who were willing to chance their luck for rapid gain. One doubts if they were able to withstand the enormous financial pressures implicit in colonial trade for very long. The experience of one such firm may serve as an illustration of what could happen.

In 1800, John Steel, shoemaker, Peter Nisbet, manufacturer and James Monach, hatter, set up in business as Steel, Nisbet and Co., traders to the West Indies. Andrew Monach, although not a shareholder in the company, was his father's representative in the concern.<sup>95</sup> The firm was hardly equipped to enter Caribbean commerce: as a legal case pointed out a few years later, 'none of the partners possessed capital of any importance'; Andrew Monach was 'a notorious bankrupt' whose property had been sequestrated in 1799.<sup>96</sup> The aim of their project was for Peter Nisbet to carry a large quantity of goods purchased on credit to the West Indies. The returns made by him were to support the credit of the other two partners who were to remain at home and were to send out additional quantities of goods from time to time.<sup>97</sup> Prospects in the first year were hopeful and the proceeds of the sale of the exported commodities was remitted home in bills and produce.<sup>98</sup>

Basing their hopes on this initial success, Nisbet 'seems to have thought no undertaking too vast for his talents or his good fortune'.<sup>99</sup>

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95. SRO, UP 1 Innes Durie A/6/6, McNeil, Stewart and Co versus Steel, Nisbet and Co., Answers for Robert Auld, 6.

96. Ibid., 6-7; Monach, like his father was a hat manufacturer, Glasgow Courier, 30 April, 1795.

97. Ibid., A. Monach to Peter Nisbet, 1 August, 1802.

98. Ibid., Answers for Robert Auld, 12.

99. Ibid.

He purchased in 1801 three estates on the islands of Essequibo (captured from the Dutch in 1796) Berbice and Demerary.<sup>100</sup> This exhausted the capital of the house and its position was further worsened by the return of all Dutch colonies, except Trinidad to Holland by the Treaty of Amiens;<sup>101</sup> a well-informed correspondent of Lord Castlereagh thought that this resulted in a loss of some ten million pounds per year to traders to these colonies.<sup>102</sup> Recourse was had to every possible means for raising money; application was made to the firm of Thomas Dow and Co. of Liverpool to whom they had been consigning their sugar. The latter offered them assistance by allowing Steel, Nisbet and Co. to draw bills on them.<sup>103</sup> Through this the spiral into disaster was begun: 'everyone knows that after a train of accommodation is begun, it is difficult to withdraw, because if the party accommodated be allowed to sink into bankruptcy all is lost.'<sup>104</sup>

By the end of 1803 the debts of Steel, Nisbet and Co. amounted to 'upwards of £60,000' and to pay them they had -

nothing more than the desks and stools in their counting house and John Steel's household furniture amounting altogether in value to £133..6..4 together with certain claims on bankrupt estates from which nothing has been drawn.<sup>105</sup>

Here is a classic instance of the effect of an initially narrow capital base in a trade which, because of its vulnerability and speculative nature, demanded extensive liquid resources within a firm.

Colonial merchants were a select body among the run of home traders, linen

100. Ibid., Articles of agreement made between John Ferguson of Essequibo on the one part and Peter Nisbet on the other part.

101. Ibid., Answers for Robert Auld, 15.

102. J.H. Rose, 'British West India. Commerce as a Factor in the Napoleonic War', Cambridge Historical Journ. (1929), 36.

103. SRO, UPI A/6/6, Innes Durie, Answers for Robert Auld, 16.

104. Ibid.

105. Ibid., 40-1

and woollen merchants, and the polyglot mass of those who made up the Glasgow commercial community. Within this group, however, control over trading operations tended to be lodged among certain merchants whose families intermarried, whose town houses dominated the growing burgh, and whose names appear regularly in the lists of town councils.<sup>106</sup>

The Customs Accounts clearly indicate the degree of control exerted by certain merchant groups in the sugar and tobacco trades. In 1774, 31,090 hogsheads of tobacco were landed at Greenock and Port Glasgow.<sup>107</sup> This figure was imported by a total of 36 firms.<sup>108</sup> Closer examination reveals that even this relatively high degree of control considerably underestimates the concentration of power. Twenty-one of those firms only imported together 4,200 hogsheads.<sup>109</sup> Not one of the latter imported individually more than 500 hogsheads and ten landed less than 200 hogsheads in that year. A similar picture was presented by the Customs Accounts for 1775.<sup>110</sup> Throughout that year 35 firms imported 29,330 hogsheads into Greenock and Port Glasgow;<sup>111</sup> 6,093 hogsheads of this was landed by nineteen companies none of which imported

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106. The same phenomenon was apparent in London, Liverpool and Bristol; see Checkland, *loc. cit.*, 463-65; W.E. Minchinton, 'Bristol Metropolis of the West in the Eighteenth Century', *Trans. R. Hist. Soc.*, 5th ser. IV (1954); J.V. Hall, 'The Garlicks, Two Generations of a Bristol Family, 1692-1781', *Trans. of the Bristol and Glouc. Arch. Soc.*, LXXX (1961), *passim*; D.W. Thoms 'The Mills Family : London Sugar Merchants of the Eighteenth Century', *Business History*, XI (1969), 3-4.

107. SRO, E.504/28/23-4; E504/15/23-5.

108. *Ibid.* Importations for each firm are reproduced in Appendix IV/A.

109. *Ibid.* See Appendix IV/A. The companies were Dunlops and Crosse, Alexander Grindlay and Co., Ramsay, Monteath and Co., Andrew Sym and Co., Scott Donald and Co., James Brown and Co., Baird, Hay and Co., T. and A. Donald and Co., Will Donald, W. Gray and Co., Murdoch, Dregham and Co., Wilson, Brown and Co., McKenzie, Wylie and Co., Jameson, Johnston and Co., Andrew Thomson and Co., John McDowall and Co., Hugh Wylie and Co., McCall, Smellie and Co.

110. E.504/15/25-26; E.504/28/24-6.

111. *Ibid.*, see Appendix IV/B.

more than 500 hogsheads each.

The figures for 1774-5 therefore suggest that about half of the tobacco-importing companies handled over five-sevenths of total importation in 1774 and around four-fifths in 1775. Investigation of the membership of some of these larger firms shows that inter-linked copartnerships left the web of control in the hands of a few great merchants. Three major partnership 'syndicates' can be identified in the last few years of the Clyde-North America tobacco trade: the Cunninghame group, the Speirs group and the Glassford group.

The major interest of the first of these, William Cunninghame and Co., had nine partners in 1776.<sup>112</sup> Three of the partners in this concern held 80 per cent. of the shares in a second firm, Cunninghame, Findlay and Co.; these men were William Cunninghame himself, the major shareholder, Robert Bogle and Robert Findlay. Findlay and Cunninghame held 90 per cent. of the stock in a third and smaller unit, Cunninghame, Brown and Co.<sup>113</sup> The two major concerns in this group together imported 5018 and 6105 hogsheads of tobacco in 1774 and 1775 respectively. This represented between one fifth and one sixth of the whole Clyde import for these two years.

The two Speirs companies conformed to a similar pattern. Speirs, Bowman and Co. and Speirs, French and Co. each shared three partners, who had a controlling interest in the capital stock of each; these were Alexander Speirs, John Bowman and William French.<sup>114</sup> In 1774 this group imported 6131 hogsheads of tobacco; although their gross total import had fallen to 3950

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112. PRO, AO 12/56/292-305. For the names of the partners see Appendix III/a.

113. Ibid.

114. GCA, Speirs Papers, TD131/7, Ledger, 1785-88, 45; PRO, AO 12/9/53. See Appendix III/4 for a full breakdown of the membership of the partnerships.



in 1775 in these two years they handled about one-fifth and one-eighth respectively of the Clyde's importation. Perhaps the most complex and highly integrated group of all was that headed by John Glassford. A superficial examination might reveal that he had interests in two large concerns, John Glassford and Co. and Glassford, Gordon and Co.<sup>115</sup> Yet closer investigation points to the fact that he and some of his fellow partners in these two firms had important shares in five other companies, all of them extensive importers of tobacco. In three of these, Archibald Henderson and Co., James Gordon and Co., and Henry Riddell and Co., the three names of John Glassford, Henry Riddell and James Gordon consistently occur.<sup>116</sup> Glassford and Gordon together with Archibald Henderson held shares in Henderson, McCall and Co.<sup>117</sup> Strong partnership links existed between this unit and George Kippen and Co. Five of the partners in Henderson, McCall and Co. — Alexander McCall, John Glassford, Arthur Connell, William Shortridge and George Kippen — formed the copartnership of Kippen and Co.<sup>118</sup> This group of firms contributed a formidable proportion of the Clyde's total importation in 1774-75. In 1774 they imported together 4,589 hogsheads; the following year this had soared to 6,917 hogsheads.<sup>119</sup> Thus in the final year before the war which brought to an end the United Kingdom's monopoly of the North American tobacco trade, this one Glasgow group contributed about one-fifth of the Clyde's importation. The predominance of these three groups over Glasgow's tobacco trade in the early 1770s is thus incontestable. Together in 1774 they landed over

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115. PRO, AO 12/9/37; Glasgow Mercury, 19 January, 1790. See Appendix III/4.

116. Glasgow Mercury, 19 January, 1790; Glasgow Advertiser, 29 January, 1790. See Appendix III/A.

117. SCO, CE 60/1/10, Petition of Henderson, McCall and Co. to H.M.S. Board of Customs.

118. Glasgow Advertiser, 22 January, 1790.

119. See Appendix IV/A-B. 1775.

fifty per cent of the commodity. In 1775 their share was even higher. In that year they imported 16,962 of the total of 29,330 hogsheads. These were the most striking examples of concentration and integration in the tobacco trade. Yet at somewhat lower levels there were others. The Buchanan-Jamieson group comprising the four firms of Buchanan, Hastie and Co., Bogle, Jamieson and Co., James Jamieson and Co., and Hastie, Corbett and Co will be discussed in detail in Chapter V.<sup>120</sup> In addition, Andrew Thomson, George McCall and George Crawford linked the firms of Thomson, Snodgrass and Co., George McCall and Co., Andrew Thomson and Co., and McCall, Smellie and Co.<sup>121</sup> Thomas Donald and Co. and T. and A. Donald and Co. were united by the three brothers Donald, Thomas, Alexander and Robert.<sup>122</sup>

The web of integration and cooperation was further extended by individuals becoming members of various units and by the popularity of family co-partnerships. Thus Peter Murdoch had interests in Murdoch, Dregham and Co., Speirs, Bowman and Co. and William Cunninghame and Co - as a result he held shares in two of the three great groups which dominated the Clyde's tobacco trade.<sup>123</sup> James Brown was an important stockholder in Cunninghame, Brown and Co. as well as heading his own concern of James Brown and Co.<sup>124</sup> Robert Dregham was in a similar position, being a shareholder in both Dregham, Murdoch and Co., and John Brown and Co.<sup>125</sup> John Dunlop was a partner in both Colin Dunlop and Sons and Hamilton, Hopkirk and Co.<sup>126</sup> Hugh Wylie, in addition to being managing partner in Hugh Wylie and Co. held stock in McKenzie,

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120. Vide infra, 235-6.

121. GCA, Probative Writs, B.10/12/4; B/10/12/9; Glasgow Courier, 19 April, 1794.

122. Glasgow Herald and Advertiser, 14 June, 1811; 7 February, 1812. See Appendix IV/A.

123. GCA, Speirs Papers, TD131/7, Ledger, 1785-88, 45; PRO, A012/56/292.

124. PRO, A012/56/305; A012/9/59.

125. Ibid.

126. GCA, Probative Writs, B.10/12/7/349; Reg. of Deeds, B.10/5/8880.

Wylie and Co.<sup>127</sup> Four family concerns were also prominent in the tobacco trade in this period: Peter Murdoch and Sons - dominated by Peter and his two sons,<sup>128</sup> George Oswald and Co. - in which the three Oswald brothers, George, Alexander and James held all the capital,<sup>129</sup> James Ritchie and Co. - in which James and his brother Henry had a predominant interest<sup>130</sup> - and Colin Dunlop and Sons.<sup>131</sup>

It is possible to discern the same pattern of a high degree of control over imports by a select group of wealthy merchants in the West Indies trade. In 1773, 1396 of the total of 2511 hogsheads of sugar was landed by three firms Alexander Houston and Co., Somervell, Connell and Co. and Thomas and Robert Dunmore and Co.<sup>132</sup> By 1781, the larger firms exerted increased dominance: four - Houstons, Dummores, Francis Gordon and Co., and Robert Mackay and Co. - imported 2146 of the total of 3200 hogsheads of sugar entered at Greenock and Port Glasgow, in that year. Houstons alone shipped about a third of this total.<sup>133</sup> In the 1790s the three major organisations were John Campbell sen. and Co., the Dennistoun-Buchanan group and the series of firms in which the Gordon family had an interest. The first of these firms had been to the fore in Glasgow's sugar-importing trade since the early 1770s; in 1778 its share of the Clyde's total import of 6,374 hogsheads of sugar was 2,670.<sup>134</sup> The company increased size dramatically from 1790. In

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127. SRO, CE60/1/8.

128. GCA, Reg. of Deeds, B.10/5/7628.

129. SRO, CE60/1/8.

130. SRO, E.504/28/23.

131. GCA, Probative Writs, B.10/12/7/3.

132. SRO, E.504/28/22-3; E.504/15/22-3. See Appendix VI/A for full details.

133. SRO, E.504/15/33-4; E.504/28/32-3. See Appendix VI/F.

134. SRO, E.504/28/28-9; E.504/15/19-30.

that year John Campbell sen., Thomas Campbell 'merchant in Grenada', Colin Campbell, Alexander Campbell sen. and jun. signed a new contract of copart-  
 nery to enlarge the business previously carried on by John sen. (who held 75  
 per cent of the capital) and Thomas Campbell (who held 25 per cent).<sup>135</sup> The  
 capital stock was to be £40,000; new contracts signed in 1801, 1806, 1812 and  
 1817 tell a story of the evolution of this already large unit to the status  
 of a great concern.<sup>136</sup>

TABLE 6

Capital Stock in J. Campbell sen. and Co., 1801--17

<u>Year</u>	<u>Capital Stock</u>
1801	£54,000
1806	80,000
1812	140,000
1817	152,000

The Buchanan-Dennistoun group comprised the two interlocking firms of  
 Buchanan, Steven and Co. and Dennistoun, Buchanan and Co. The shares in  
 each of these were almost all lodged either with members of the Buchanan or  
 Dennistoun family.<sup>137</sup> Similarly the Garden family's control operated through-  
 out several West India concerns - Francis Garden and Co., Francis Garden and  
 Sons, Garden, King and Co., and Hamilton Garden and Co.<sup>138</sup>

A strikingly similar picture thus emerges in each sector of Glasgow's  
 colonial commerce: a small group of immensely wealthy men (by eighteenth  
 century standards) working through large integrated concerns and controlling

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135. ML, Campbell of Hallyards Papers, Contract of Copartnership among the  
 partners of John Campbell sen. and Co. (1790).

136. Ibid., Contracts of Copartnership among the partners of John Campbell  
 sen. and Co., 1801, 1806, 1812, 1817.

137. Glasgow Courier, 15 December 1796; SR0, GD1/512/27/6. For a full  
 breakdown of the membership of these two firms see Appendix III/B.

138. Glasgow Courier, 26 May, 1795; 31 December, 1812.

the vast proportion of the sugar and tobacco trades. Blood relationships among this elite further strengthened trust, group consciousness and that social aloofness which Glasgow's historians have consistently emphasised as unique to tobacco 'lords' and West India merchant princes.<sup>139</sup> Because of the underdeveloped nature of Glasgow's economic structure, such men patently did feel themselves to be a kind of aristocracy among plebs. The statement that the tobacco dons, parading in awesome solitude along the pavement, dressed in their scarlet cloaks and silver-buckled shoes refused to speak to anyone except 'a city minister, a doctor or a professor at the University', has an authentic ring to it.<sup>140</sup>

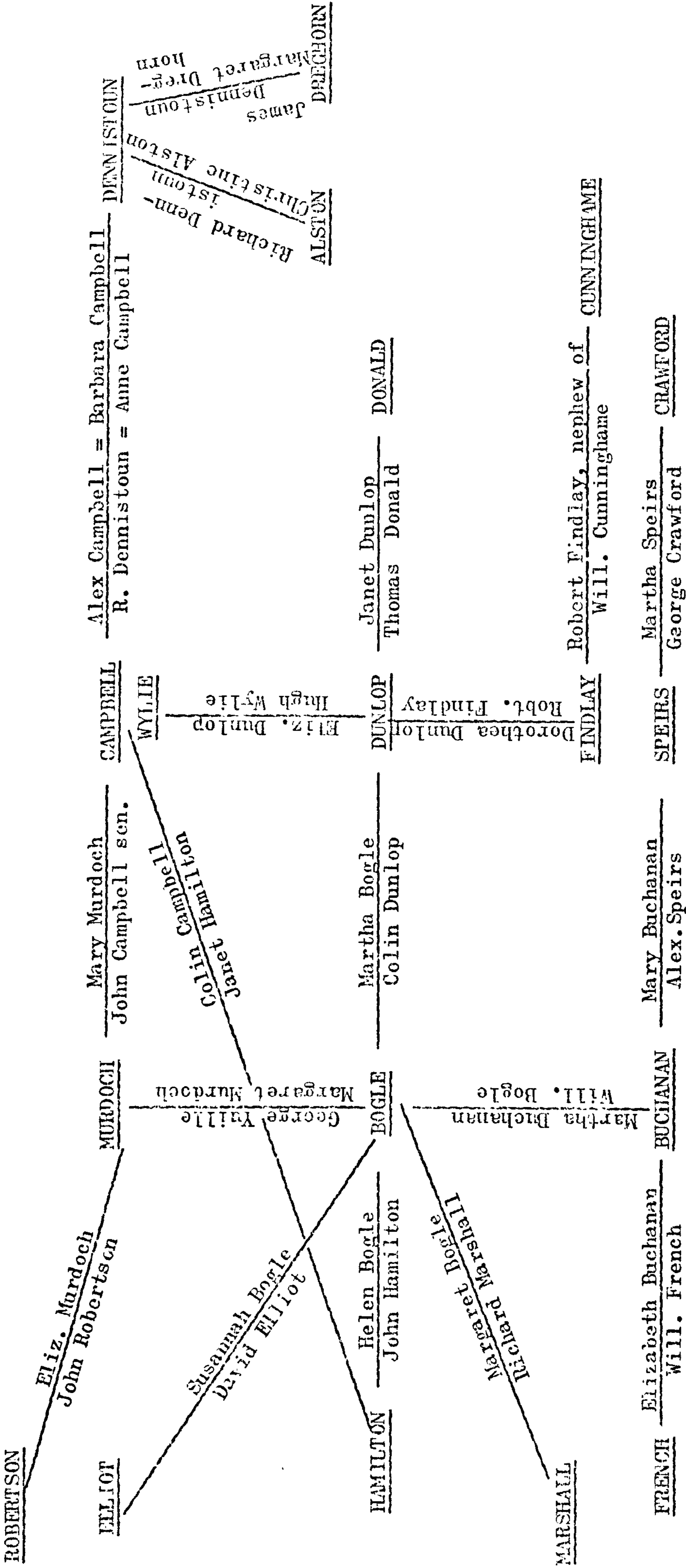
Marriages between members of the elite bolstered exclusiveness and solidarity. In the West Indies trade for example as the diagram on the following page demonstrates, the families of Campbell, Dennistoun, Alston, Hamilton and Robertson were all connected;<sup>141</sup> although as far as can be ascertained none of the families shared a common partnership - John Campbell sen. and Co., Dennistoun, Buchanan and Co., Alston, Ewing and Co., John Hamilton and Co. and Robert Mackay and Co. (to which Robertson belonged) were 'in competition' with one another. The diagram on page 34 also illustrates the marital association between leading families in the tobacco trade. Bogle, Dunlop, Findlay, Crauford, Speirs, Buchanan, Murdoch and French were all linked by an involved web of blood relationship and intermarriage.<sup>142</sup>

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139. As a sample of such comments see George McGregor, The History of Glasgow (Glasgow and London, 1881), 352; Graham, op. cit., 143; Seneca, op. cit., II, 287.

140. Graham, op. cit., 143.

Marital Relationships of leading Glasgow Colonial Merchant Families, 1770-1815



NOTES:-- (1) Source references will be found in Appendix II/D.

(2) Not all marital relationships between families have been shown: only one relationship in each case has been indicated to show family connections.

## II

Sufficient stress has now been put on the concentrated pattern of the colonial merchant community. It has also been pointed out how the level of financial backing necessary to undertake a career in colonial trade by and large cut down recruitment to a minimum. The question must now be asked whether the colonial merchant community was a species of commercial caste: did the community allow entry to men of sufficient wealth and talent or was it merely a self-sufficient and self-perpetuating group of rich and powerful families who kept control for themselves and their offspring?

In order to answer this question with some claim to accuracy, it was obviously essential to chart the family background of the 165 merchants within the designated group. Thus a full scale search was carried out through the Matriculation Albums of the Merchants House of Glasgow,<sup>1</sup> the Glasgow Roll of Burgesses, merchant testaments,<sup>2</sup> the Matriculation Albums of the University of Glasgow and a miscellany of family and local histories. Even after this operation, the origins of thirty (18.8 per cent) of the total of 165 could not be traced. However, from the method by which members of this minority obtained burgess-ship (by purchase, marriage, nomination or apprenticeship) it was clear that they were not the offspring of established merchant families in Glasgow. By far the largest group were sons of Glasgow merchants: eighty one (50.7 per cent) obtained burgess-ship by right of paternal inheritance. All persons who acquired burgess-ship through their fathers were included in this group. But not all of the families from which they sprung were necessarily involved in either the

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1. In Glasgow City Archives; unfortunately the names of fathers of entrants is only given after 1785 and occasionally the occupation of the father is not inserted; recourse had therefore to be made to other sources.

2. In Scottish Record Office, Commissariat of Glasgow Testaments.

West Indies or the tobacco trades. Some fathers quite clearly were not. For example, John Lindsay's father was a timber merchant.<sup>3</sup> Thus one can conclude that a substantial number of merchants were recruited from established families, but the merchant community was sufficiently open-ended to allow newcomers a major role in its expansion.<sup>4</sup>

Two other points add weight to this conclusion. John McCure in his study of Glasgow, published in 1745, but written several decades before<sup>5</sup> gives a list of merchants, 'a great company ... undertaking the trade to Virginia, Carriby Islands, Barbadoes, New England, St. Christophers, Monserrat and other colonies in America', in the late seventeenth century.<sup>6</sup> It is possible to compare the names of the families who were responsible for this initial development in Glasgow's colonial commerce with their successors of the late eighteenth century. Such a comparison suggests that there had been a turnover in the colonial merchant elite and that particular families did not control the colonial trades for generation after generation. Certainly some names appear in both periods. The Bogles and the Murdochs, for instance, are represented both in McCure's list and among the merchant families a century later. Yet others such as the Spreuls, the Coulters, the Andersons, the Lukes have disappeared by 1770 and there is no mention in McCure's 'great company' of Glassford, Cunninghame, Speirs, Ritchie, Campbell and Dumore who after all were the giants of the colonial trades in the period under consideration.

A second point is that the great names in Glasgow's tobacco and West

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3. GRB II, 1766.

4. The detailed evidence on which these conclusions are based can be found in Appendix I.

5. John McCure, A View of the City of Glasgow (Glasgow, 1745).

6. Ibid., 170.



Indian commerce between 1770-1815 were usually not the sons of established merchant families in the town. John Glassford's father was a merchant in Paisley;<sup>7</sup> Alexander Speirs was the offspring of an Edinburgh merchant family;<sup>8</sup> William Cunninghame, though his exact parentage cannot be traced, was the scion of a cadet branch of the Cunninghames of Caprington, lairds in Ayrshire.<sup>9</sup> John Campbell sen., the founder of the massive sugar-importing house of John Campbell sen. and Co., was the son of a Captain in the Black Watch.<sup>10</sup> Francis Gordon, James Somervell and Alexander Houston the driving forces behind the Gordon group of companies, Somervell, Gordon and Co., and Alexander Houston and Co., were the offspring of a Stirlingshire landed family, a Glasgow legal family and a Renfrewshire landed family respectively.<sup>11</sup>

Before one swings towards a stance which contradicts the image of the community presented earlier as being close-knit and dominated by a small group of powerful families, it ought to be emphasised that entry was not open to every aspirant. A detailed breakdown of the origins of those who were not sons of Glasgow merchants will dispel any impression that this was the case. It is very difficult indeed to find a successful colonial merchant who came from 'the lower groupings' of society. Only three out of the whole community were sons of craftsmen according to the sources consulted.<sup>12</sup> Two of these Alexander Munro (son of a tailor) and Robert Haddow (son of a maltman in Lanark) belonged to craft families which were wealthier than most.<sup>13</sup> The craft of maltman especially was well known for the high

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7. Courlay, *op. cit.*, 43.

8. GCA, Reg. of Deeds, B.10/5/8435, Settlement, Alexander Speirs esq., 16 December, 1782.

9. SRO, GD247/140, Answers for William Cunninghame, late of Falmouth, 1

10. Old Country Houses, 212.

11. GCA, Matric. Albums of Merchants House of Glasgow, 1802; GRB II, 1770; GCA, Smith of Jordanhill Papers, TD1/15, Inventory of Title Deeds belonging to Mr. Smith's heirs.

12. See Appendix I.

13. For relatively high financial status of tailors and maltmen see Smout, Merchant Community, *loc. cit.*, 69; maltmen and tailors were highly respected and often affluent members of the community; for Munro and Haddow see Appendix I.

returns which it gave.<sup>14</sup> On the other hand no scion of the Scottish aristocracy could be traced as being a member of the community.

Those who were not sons of Glasgow merchants tended to come from the middling ranks of society. Thirteen (8.2 per cent) were the offspring of merchants from Scottish burghs outside Glasgow; fifteen (9.3 per cent) came from the landed sector - nine were sons of lairds and six of farmers. There was also a fair representation from the clergy: eight sons of the manse (5.0 per cent) were colonial merchants in this period. Finally, there was a leavening from the other professional classes: ten merchants (6.2 per cent) were the offspring of lawyers, bankers, army officers and government officials.<sup>15</sup> Of the forty-six persons cited in this group, forty-two were from families who resided outside the town of Glasgow. An analysis of their places of origin suggests that thirty came from the surrounding counties of Lanarkshire, Renfrewshire, Dunbartonshire, Ayrshire, Perthshire and Stirling:

TABLE 7

Geographical origins of newcomers to  
Glasgow Colonial Merchant Group

Stirling	10
Dumbarton	4
Lanarkshire	4
Renfrewshire	4
Perthshire	3
Ayrshire	3

Recruits were also drawn from further afield. The Oswald brothers, George and Alexander, were sons of the Rev. Dr. George Oswald, minister of the

14. The Buchanan fortune was founded by George Buchanan, maltman in Glasgow. For the wealth of one maltman see GCA, Reg. of Deeds, B.10/5/8814.

15. The breakdown into occupations was as follows: five sons of lawyers and Sheriffs, two sons of army officers, one son of a banker, one son of a schoolmaster, one son of a custom's official. (Glasgow, 1881), 9-12.

parish of Thurso in Caithness,<sup>16</sup> two came from south of the Border, Richard Marshall, son of Colonel Hubert of Hull, and Neil Malcolm, who belonged to a London merchant family.<sup>17</sup> The three Eccles brothers, West India merchants, were the sons of William Eccles, merchant in Ireland.<sup>18</sup> John Hay's father was a merchant in Paris.<sup>19</sup>

This discussion of the origins of those men who were not the sons of colonial merchants serves to reinforce the conclusion reached earlier about the extensive financial resources required to undertake colonial trade. Almost all the merchants who formed the community came from families of moneyed background. Some were second-generation merchants whose fathers had accumulated a sufficient fortune to enable their sons to venture even higher; some were sons of landowners and large farmers required to find alternative employment because of the operation of the law of primogeniture;<sup>20</sup> others came into commerce from legal families: the wealth of lawyers was well known in eighteenth century Scotland, as Allan Ramsay, the poet, noted

The wylie writers, rich as Croesus,  
Hurl frae the town in hackney chaises,  
For country cheer!<sup>21</sup>

Sons of professional families might find difficulty in following in their father's footsteps. The Scotland of the eighteenth century was suffering from a superfluity of trained clergymen and teachers.<sup>22</sup> Such men could however find employment in a Glasgow counting-house where as clerks they might

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16. Robert Reid, Old Glasgow and its Environs (Glasgow, 1804).

17. GCA, Merchants House Matric. Albums; GRBII, 1787.

18. GCA, Merchants House Matric. Albums, 1308.

19. Ibid., 1788.

20. For a sample of cases in which this factor encouraged movement into commerce see H.B. McCall, Memoirs of My Ancestors (Birmingham, 1884), 9-11; Old Country Houses, 186.

21. A. Ramsay, 'The Rising of the Session', quoted in John Speirs, The Scots Literary Tradition (London, 1940), 116.

22. Saunders, op. cit., 33.

hope to advance under the favourable eye of the managing partner of a firm. The experience of one of the Oswald brothers may serve as an illustration of this type of mobility. He presented himself as a candidate for the position of Master of the Parochial school of Thurso in his native county of Caithness; he was unsuccessful however, and after a fruitless search for an alternative position came to make his fortune in Glasgow.<sup>23</sup> This injection of professionally trained men into the community undoubtedly helped to give it that cultural and intellectual vitality which distinguished it from other groups.<sup>24</sup> The Glasgow Society for the Sons of the Clergy set up in 1790 was composed of five ministers of the Church and five Glasgow merchants whose fathers were either clergymen - Robert Findlay, Alexander McCall, Archibald Henderson, John Spens, Munro and John McCall.<sup>25</sup>

Even given the fact that most 'outsiders' came from the upper echelons of society, it was probably relatively rare for a new man to gain partnership level immediately on the completion of apprenticeship. The evidence suggests that personal sources of finance or contacts (either with relatives or friends within the existing group) were usually necessary. Thus Moses Steven, son of a farmer in Easter Fimnick in Stirlingshire, entered the wholesale linen trade on coming to Glasgow.<sup>26</sup> He gradually acquired shares in the prosperous sugar-importing firm of Dennistoun, Buchanan and Co., while his own linen firm, Buchanan, Steven and Co. also moved into the colonial sector.<sup>27</sup> An investigation which only takes account of the origin of merchants as defined by the father's occupation is bound to underestimate the force of friendship and

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23. Reid, op. cit., 31; Glasgow Journal, 14 August, 1760.

24. Vide infra, 74-81, 29 May, 1777.

25. Scots Magazine, LII (1790), 268. 17 January, 1790.

26. Mitchell, op. cit., 108; Jones's Directory for 1787.

27. Glasgow Courier, 15 December, 1796; SR0, GDI/512/27/6.

kinship links which enabled 'outsiders' to fit into the community. Samuel McCall, son of a Dumfriesshire laird and founder of a dynasty of well-known Glasgow merchants 'was sent when a boy to the care of a friend of his father in Glasgow where he was designed to engage in commercial pursuits.'<sup>28</sup>

The career of the two Riddell brothers, Henry and John, is a salutary reminder of the role of kinship links in facilitating entry into the merchant community. The Riddells were the sons of John Riddell, Writer to the Signet, in Edinburgh. Their mother, Christine, was the sister of Anne Nisbet, John Glassford's second wife. Thus Glassford was their uncle by marriage.<sup>29</sup> Almost certainly the speedy advance of Henry and John in Glasgow can be explained by the assistance given them by their uncle. Henry Riddell for example was aged forty when he first entered a tobacco partnership. Glassford made him a partner in his major tobacco concerns - John Glassford and Co., and Glassford, Gordon and Co.<sup>30</sup> Family ties were still further strengthened by the marriage of Riddell and Glassford's daughter Anne.<sup>31</sup> By dint of these connections and his own hard work and ability Riddell left a fortune of 'upwards of £26,000' when he died in 1801.<sup>32</sup>

The family background of the Cunninghame group of companies is just as fascinating in this respect. The firm which was to become William Cunninghame and Co. dated back at least to the 1720s, when it consisted of Andrew Cochrane, son of a merchant in Ayr and John Luke, scion of an old Glasgow mercantile family.<sup>33</sup> Although no final proof could be found there are grounds for suspecting that Cochrane and William Cunninghame, son of a small

28. McCall, op cit., 10; GRB I, 1708.

29. Glasgow Courier, 29 May, 1819.

30. PRO, A012/9/37; Glasgow Mercury, 19 January, 1790. See Appendix III/A.

31. Scots Magazine, Vol. 43, 331. 1804.

32. SL, CSP 438/18, Minutes in Process Henry Riddell versus John Riddell ... 5.

33. Anon., Cochrane Correspondence regarding the Affairs of Glasgow, IX-XI; C.A. Oakley, Connal and Company, Ltd., 1722-1946 (Glasgow, 1946), 4.

landowning family in Ayrshire, were kinsmen.<sup>34</sup> Certainly Cunninghame joined business ability to any family connection. After being sent to America by the company his talents were so evident that he was put in charge of the company's operations there at the age of 21.<sup>35</sup> While there he also engaged in business on his own account, doubtless to gain sufficient funds to acquire an extensive share in the partnership; during the Seven Years War he and two colonials ran a firm 'for supplying the British forces stationed at Pittsburg with wines, sugars and other commodities of that kind.' Fourteen years after moving from Glasgow, he returned to the town and was immediately assumed, in 1762, a principal partner in the parent concern.<sup>36</sup> By the early 1770s with Cunninghame firmly in control, he was able to assume his nephew, Robert Findlay, son of the Professor of Divinity at Glasgow University, into the firm.<sup>37</sup> Soon he was second only to his uncle and Robert Bogle in the extent of his shares in William Cunninghame and Co., Cunninghame, Findlay and Co., and Cunninghame, Brown and Co.<sup>38</sup> Finally in 1780 the dominant shares in the firms passed into his hands.<sup>39</sup>

Given the strength of this kinship factor it was good policy for potential merchants to adjust themselves to it by marrying into established merchant families. Such unions might confer on the 'outsider' not only respectability and a handsome dowry but with luck a share in father-in-law's partnership. On the other hand, one had to come from a family of sufficiently high status and background to merit parental approval. Certainly marriage to a merchant's daughter was a quite common method of obtaining burghership; of the total

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34. SRO, G0247/140, Answers for W. Cunninghame, 1, 16.

35. Ibid., 4.

36. Ibid., 1, 6.

37. Burke's Landed Gentry (London, 1894 ed.), 657.

38. PRO, A012/56/292-305. See Appendix III/A.

39. Oakley, op. cit., 5.

of sixty-three persons who gained their burgh tickets by other means than by being sons of Glasgow merchants, nineteen acquired them by marrying a merchant's daughter.<sup>40</sup> Dowries could be large and might be a crucial aid to a merchant in his career. Archibald Buchanan obtained £3,000 on his marriage to the daughter of Richard Dennistoun.<sup>41</sup> When Thomas Donald married into the powerful Dunlop family, Colin Dunlop promised to pay him £2,000 'in name of tocher for his daughter'.<sup>42</sup> George Crawford was richer to the tune of £5,000 when he wed Martha Speirs.<sup>43</sup> The bride's father, Alexander, had himself owed much of his success to a fortunate marriage: when he wed Mary Duchanan, daughter of Archibald Buchanan of Silverbank, he 'was possessed of but a modest fortune'.<sup>44</sup> David Russell obtained a dowry of £1,000 when he married Elizabeth, daughter of James McCall.<sup>45</sup> As the son of a wealthy lawyer in Dunblane, Russell would prove a suitable spouse.<sup>46</sup>

Some merchants conformed to the classic model of marrying the master's daughter; thus James Gordon, who had served his apprenticeship with John Glassford, wed Jane, Glassford's eldest daughter.<sup>47</sup> His career thereafter was one of spectacular advance; by the 1780s he was a principal partner in John Glassford and Co., Glassford, Gordon and Co., Henderson, McCall and Co. and Henry Riddell and Co.<sup>48</sup> John Spens Munro, came as a young man to Glasgow in the early 1770s, the son of a Church of Scotland minister in Ross-

40. See Appendix II/B.

41. SRO, GD1/512/38, Contract of Marriage between Arch. Buchanan and Miss Mary Lyon Dennistoun, 1816.

42. SRO, Reg. of Deeds, 231/1/938 MACK.

43. CCA, Reg. of Deeds, B.10/5/8435, Settlement, A. Speirs, 16 December, 1782.

44. SL, CSP 180/7, Answers for Arch. Speirs ... 1. age 21, son to Charles

45. CCA, Reg. of Deeds, B.10/5/966.

46. CCA, Merchants House Matric. Albums, 1789.

47. Scots Magazine, XLVI, (1785); 415.

48. PRO, AO12/9/37; SRO, CE60/1/10; Glasgow Mercury, 19 January, 1790; Glasgow Advertiser, 29 January, 1790.

shire; his marriage to Margaret Robertson, the daughter of the managing partner in his company, was the entree he needed.<sup>49</sup> Mungo Nutter Campbell's union with a daughter of J. Campbell sen. conformed to a similar pattern.<sup>50</sup>

There were excellent economic motives in this desire to form close business ties with relatives and friends in addition to the natural desire to associate with and aid the careers of members of one's own family. As Thomas Riddoach, a planter in Tobago, admitted, he had little hope of obtaining the help of John Campbell sen. 'as he has too much business to remember such as me (as I am not a Campbell) when out of sight ... he has a good many of his own poor relations to provide for.'<sup>51</sup> However, the giving of a handsome dowry to an ambitious son-in-law could prove an excellent form of insurance if the merchant chanced to fall on hard times in the future. Moreover, the nature of the colonial trades and indeed of business relationships in general in the eighteenth century meant that trust in one's partners and associates was essential if disaster was not to occur.

The organisation and nature of the Clyde-Caribbean trade determined that to some extent the prosperity of each of the major houses in Glasgow depended upon one another; newcomers might not have the experience or the willingness to co-operate. The risks of West Indies commerce are well-known.<sup>52</sup> War, hurricanes, slave revolts, conquest of islands and closure of established ports were all possible hazards. This instability was likely to be exaggerated by the method of financing transactions in the trade.<sup>53</sup> Although variations in

49. Glasgow Mercury, 3 August, 1790.

50. James Gourlay (ed.), The Provosts of Glasgow, 1609-1832 (Glasgow, 128.

51. NLS, Charles Stewart Letterbooks, MS 5030, Thomas Riddoach to Charles Stewart, 5 January, 1777.

52. Vide infra, 262-94.

53. Checkland, loc. cit., 461-69.



trading methods make generalisation difficult,<sup>54</sup> the basic principle was that planters drew bills on merchant houses for equipment and above all for purchase of slaves: the procedure involved the factors and principals in guaranteeing the debts of the planter to the slavers and other suppliers. More than one house could become involved in the complicated pattern likely to evolve out of this simple structure. One example may serve to illustrate this point. Mitchell, Bryce and Co., the agents in Trinidad of a major Glasgow West India firm, McNeil, Stewart and Co.<sup>55</sup> purchased a cargo of negro slaves from Mackenzie, Rigby and Co., merchants in Trinidad, who were the representatives of a large London West India house, George Baillie and Co.<sup>56</sup> Mitchell, Bryce and Co. drew bills on McNeil, Stewart and Co. in favour of Mackenzie, Rigby and Co. who endorsed them to the firm of George Baillie and Co. of London. The same cargo of slaves were soon afterwards sold by Mitchell, Bryce and Co. to different houses in Trinidad connected with George Baillie and Co. In payment of the prices the purchasers drew bills on the chargers payable to the order of McNeil, Stewart and Co.<sup>57</sup>

The bill of exchange mechanism was the essential basis of West India commerce. It allowed for the inevitable time lag between purchase of slaves and plantation equipment by the planter, and the sale of his sugar, cotton and rum in British and European markets. As a contemporary lawyer pointed out -

A Bill is equivalent to a bag of money, because it is equivalent to money at the day of payment, and because merchants rely upon it as such and regulate their transactions and make provision for their payments upon that supposition.<sup>58</sup>

Crisis could occur, however, if planters failed to meet their obligations and

54. Vide infra, 145-6.

55. SRO, UP Innes Durie A/6/6, Petition for Robert Auld, 1.

56. SRO, UP Inglis M/13/4, Bill of Suspension for Messrs McNeil, Stewart and Co. (1805), 2.

57. Ibid., 2-3.

58. SRO, UP Inglis M/13/4, Answers for Messrs. George Baillie, 5.

if the capital of the Glasgow house was slender or illiquid. Because of this and because of the dependance of one house upon another mutuality and co-operation between different firms, especially in a depression, was more or less essential if they were not all to perish. 'New' men with little in the way of family or friendship ties with established members of the group might find it more difficult to adapt themselves to this pattern and to attract confidence and trust from their fellow merchants. Experience of small firms moving into the West Indies trade had not enamoured long-established companies to newcomers. McNeil, Stewart and Co., with property amounting to £62,000, had to stop payment in 1803 because of the delinquency of one such 'arriviste' concern, Steele, Nisbet and Co., whose financial history has already been examined.<sup>59</sup>

The latter concern was drawing bills on Thomas Dow and Co. of Liverpool as advances on consignments expected from the West Indies on the account of Steele, Nisbet and Co. Dow had 'served for some time' as the bookkeeper of Macneil, Stewart and Co., and when he set up in business on his own account, McNeil, Stewart and Co. took a share in the partnership. They were thus liable for the debts of the firm. These rocketed as the Dows issued accommodation bills in what amounted to 'fraudulent transactions' in their attempts to support Steele, Nisbet and Co.<sup>60</sup> Finally Thomas Dow and Co. were in debt to the tune of £30,000.<sup>61</sup>

So concentrated was control of sugar imports and so large were the bulk of the firms handling these that the likely collapse of one unit would probably endanger the others through damage done to credit and general commercial confidence. There is thus considerable evidence of Glasgow houses conforming to

59. SRO, BCP I, 66, 904, Agreement and Obligation of the creditors of McNeil, Stewart and Co.; for Steele, Nisbet and Co., vide supra, 25-6.

60. SRO, UP Innes Durie A/6/6, Representations for Macneil, Stewart and Co., 9-16.

61. SRO, BCP I, 66, 904, Bill of Suspension, Macneil, Stewart and Co. versus Thomas Wilson (1804).

the ethic of 'community' by helping out competitors in order to ensure their own salvation. Apart from everything else, creditors of bankrupt West Indian firms were unlikely to obtain instant satisfaction. The fact that assets tended to be locked up in Scottish estates or in West Indian plantations often meant very lengthy periods of liquidation.<sup>62</sup> Moreover, there was the additional problem of ascertaining the exact position of a particular house: Lord Ashburton in 1837 described how West Indian accounts were up to thirty years in Chancery, the accounts being wholly unintelligible to the Court.<sup>63</sup>

The outstanding example of aid being given by one firm to another occurred in the long process leading up to the bankruptcy of Alexander Houston and Co. This, the largest concern of its kind in Glasgow, had been extending credit on a large scale via its agency houses to planters in the islands of Grenada and St. Vincent in the later 1780s. These, ceded by the French in 1763, were now being extensively exploited by British interests envisaging high returns from comparatively virgin areas. The extension of the free port scheme and the further stimulus of augmented European demand for British sugar after the revolution in St. Domingo - which at one stroke destroyed a source of the commodity equal to the output of all the British islands combined - were other factors encouraging an acceleration of activity.<sup>64</sup> By the end of 1792 Houstons had £162,361.1.1 outstanding to them in Granada, a sum which had risen to £389,112.4.5 two years later.<sup>65</sup> The outbreak of the Carib War in 1794 and the consequent destruction of the crop in Granada was the nudge

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62. See generally, NLS, ACC 2346, Letter-Book of Trust winding up Alexander Houston and Co, and vide infra,

63. Report on English Law of Partnerships, PP. 1837, XLIV, 45. Quoted in H.A. Shannon, 'The Coming of General Limited Liability' in Essays in Economic History (London, 1954), ed., E.M. Carus-Wilson, 363.

64. V.T. Harlow, The Founding of the Second British Empire, 1763-1793 (Oxford, 1952), I, 163; Checkland, loc. cit., 461-62.

65. SRO, GD 237/151/5; PP.<sup>55</sup> Report on Mr. McDowall's Petition (1801), 429.

needed to overturn what had become a fundamentally over-expanded concern.

The prospect of the collapse of an organisation with estimated assets of over £630,000<sup>66</sup> could prove not simply a local but a national disaster. Government aided this and other firms<sup>67</sup> with an issue of Exchequer Bills;<sup>68</sup> Houstons received £170,000 of the total of £910,000 paid out in 1795.<sup>69</sup> More interesting for our discussions was the assistance received from a wide variety of Glasgow West India firms. Persons willing to lend to Houstons were to allow the company to draw for the sum lent from the London financial house of Boyd, Benfield and Co; in return, this organisation would issue bills to the lenders guaranteed by 'the most unexceptionable heritable property' i.e. the landed estates of William McDowall, one of the Houston partners, valued at over £280,000.<sup>70</sup> Of the total sum borrowed Glasgow West India merchants subscribed as follows:<sup>71</sup>

**TABLE 8 : Sums lent to A. Houston and Co., 1798**

John Gordon	1,500
Arch. Smith	1,500
Robert Findlay	1,000
Robert Bogle jun.	1,000
Richard Dennistoun	1,500
John Campbell sen.	1,500
Charles Stirling	1,500
Arch. Buchanan	1,500
Cunninghame Corbett	1,000
James Buchanan	1,000
Robert Dennistoun	1,500
McNeil, Stewart and Co.	2,000
Alexander Campbell	1,000
James Hopkirk	1,500
George Oswald	1,500
John Alston jun.	500
Alexander Low	500
	<b>£ 22,500</b>

66. Ibid., View of the affairs of Alexander Houston and Co.

67. For the difficulties of other West India firms at the time see S.G. Checkland 'Two Scottish West India Liquidations', SJPE IV (1957).

68. 135 Geo III c. 127. Obtained a further £70,000 in 1797, 37 Geo III, c.27.

69. SRO, BCP I, 58, 514. Answers for Will. Cunninghame of Craigie, 21 April, 1806, 10-11.

70. SRO, GD237/134, Minutes of Meeting of the Friends of Alexander Houston and Co; SRO GD237/139, Disposition in Security of Will. McDowall, 3 Nov., 1798.

71. SRO, GD231/139, Disposition in Security of William McDowall, 3 November,

Here was represented all the major West India houses in Glasgow - Stirling, Gordon and Co., Leitch and Smith, Dennistoun, Duchanan and Co., McNeil, Stewart and Co., Robert Bogle jun. and Co., John Campbell sen. and Co., John Alston and Co.<sup>72</sup>

This example furnishes striking evidence of the necessary mutuality of the community. The effects of a sequestration of the assets of Houstons could not be contemplated and competing firms, doubtless in some difficulties themselves,<sup>73</sup> were willing to offer substantial sums to bolster the credit of the house. Whatever part the fame and respectability of the partners played in attracting aid - as one creditor put it, he was willing to lend because of the character of the gentlemen for whom they were engaging<sup>74</sup> - it seems clear that self-preservation was a powerful factor involved. Indeed, the director of the Bank of Scotland noted -

It is a matter of public and general importance to the Credit of this Part of the Country, that the house of Messrs. Alexander Houston and Co. should be continued and supported in the unembarrassed Conduct of their Business.<sup>75</sup>

This short case-study presents a relatively dramatic example of 'mutuality' and on that account may be regarded as a special reaction to a uniquely critical situation and not at all typical of the day to day trading activities of colonial merchants. The available evidence does suggest, however that

1798; £11,000 was lent by the Paisley Union Bank and the Thistle Bank; £14,000 by manufacturers and other merchants in the West of Scotland; £6,000 by local landowners and £23,500 by London financiers.

72. For a list of Glasgow West India firms see ML, Abstract of Minute Books of Glasgow West India Association, Vol. I, 6-7, 11 Nov, 25 May, 1769.

73. PP. Report of the Committee appointed to take into consideration the Commercial State of the West Indian Colonies, III, (1807), 1-2.

74. SRO, BCP I, 58, 314/19. Letter to the Bank, 4 January, 1777.

75. PP. Report ... on Mr. McDowall's Petition; Appendix A, James Fraser. 1 to Will. McDowall of Gartland, 6 February, 1800.

competition among the community tended to be pretty muted, as might be expected from the high level of inter-relationship and the prevalence of interlocking copartnerships already described. In the tobacco trade efforts were made, whatever their effect, to meet and consult together and 'jointly pursue the most effectual measures for reducing the price of tobacco.'<sup>76</sup> Collusive action and 'gentleman's agreements' were undertaken for the purpose of holding down the price of tobacco; for example, the buyers at Dumfries, Virginia, in May, 1769, proposed that 22/6d. per 100 lbs be paid for tobacco until July 1, at which date the price was to drop to 20/-.<sup>77</sup>

In the West Indies trade, freight rates for ships sailing between the Clyde and the Caribbean were fixed at general meetings of Glasgow merchants in the 1770s.<sup>78</sup> The correspondence of individual merchant houses also makes it plain that firms with no partnership links quite commonly gave aid and support to one another. Thus Speirs, French and Co. writing to an agency house in St. Lucia in 1782 described how they had got their 'friends', John Campbell sen. and Co. 'to promise to begin with your house.' Speirs emphasised that John Campbell sen. and Co. were 'persons of solidity and punctuality' and wished to acquire new correspondents in St. Lucia because their former customers had not returned remittances sufficiently quickly.<sup>79</sup> George and Michael Bogle wrote their agent in Jamaica to help out 'our good friends, Messrs Alex Houston and Co.'

76. Quoted in Saltow, *loc. cit.*, 90. The success of such attempts will be considered in Chapter 4, *vide infra*, 141-3.

77. SRO, GD247/58/0, James Robinson to John Neilsen, 25 May, 1769. See also Robinson to Turner, 18 July, 1774.

78. NLS, MS 8759, Alexander Houston and Company's Home Letter Book, II; NLS, MS8753, A. Houston and Co. to Messrs. Turner and Paul, 4 January, 1777.

79. GCA, Speirs Papers, TD131/9, Speirs, French and Co. to Charles Court, 1 August, 1782.

... they are fitting out the Sally. Now as the ship will in all probability be rather late of arriving Messrs Houston and Co are somewhat anxious about her getting quite full... We must therefore entreat the favour of you to be of as much assistance in helping out her loading as in your power whither by shipping in her yourself or using your influence with your neighbours to ship in her ... 80

Robert Dunmore and Co.'s two privateers in 1778 obtained assistance from Messrs. Houston and Paterson of Grenada, the chief agency house of Alexander Houston and Co.<sup>81</sup> Houstons likewise were organising a year later the sale of a West Indian estate by a planter to the Glasgow house of J. and H. Ritchie and Co.,<sup>82</sup> and were advising their agency house in St. Vincent to give all help to Messrs. Somerwell, Gordon and Co. in their endeavour to establish a connection with that island.<sup>83</sup>

Mutuality also demonstrated itself in the community in the attention paid by merchants to secure aid and comfort for their less fortunate colleagues. This was particularly obvious in the care given to merchants who had suffered through bankruptcy. The process of aid to such persons was partly institutionalised; the Merchants House of Glasgow could admit members as 'pensioners'. Thus in 1770 the House agreed to a request from Robert Rodger, the son of a former Member of Parliament for Glasgow Burghs for charity. ... from wealthy circumstances the said Robert Rodger by various misfortunes was now reduced to a state of poverty and is moreover deprived of the use of his reason and is the same now above seventy years of age. 84

80. NLS, MS8793, G. and M. Bogle to Archibald Stewart, 2 March, 1777.

81. NLS, MS8794, A. Houston and Co. to Messrs Houston, Paterson and Co., 16 November, 1778.

82. Ibid., to Messrs. Turner and Paul, 11 March, 1779.

83. Ibid., 22 November, 1779. For assistance given to James Dennistoun and R. Dunmore and Co. see ibid. to Fergus Paterson, 18 May, 1780; MS8759, to Dunlop, Stevenson and Co., 17 February, 1778.

84. GCA, Records of Merchants House of Glasgow, Minute Book, III, 1754-90, 144-5, 12 June, 1770.

85. Ibid., 7 January, 1770, 354.

'For their charity', the members admitted Rodger a pensioner of the Merchants House for £10 yearly to be paid in quarterly payments.<sup>85</sup>

Colonial merchants because of their wealth and fame were likely to attract considerable sympathy if they fell on hard times. Archibald Smellie, a bankrupt of the American War, had been a matriculated member of the House for over thirty years and came from 'an old stock of burghesses'; he therefore petitioned the House for an 'adequate yearly supply' to which his fellow merchants replied with the offer of an annual sum of £40 'in consideration of his having been a considerable trader in Glasgow and having held the office of Dean of Guild.'<sup>86</sup> Similarly, the widow and children of Provost Hugh Wylie were enrolled for £30 per annum.<sup>87</sup>

The control of Glasgow Town Council for the greater part of the eighteenth century by the colonial merchant group meant that members of that group who became insolvent could be employed in the town administration at a fair salary. After the collapse of Buchanan, Hastie and Co. in 1777, both Andrew and James Buchanan were taken care of by their more fortunate colleagues on the Town Council. James was appointed Inspector of Police for Glasgow in 1779 by this body, with the stipulation that the salary attached to the post 'shall on no account be arrestable or attachable by any of the said James Buchanan's creditors for any debts.'<sup>88</sup> Andrew Buchanan obtained the same generous provision. He was chosen Lord Chamberlain of the town and instructed 'to keep fair, regular and distinct account books with regard to the city's whole business' and for this was to receive an annual salary of £100.<sup>89</sup>

85. Ibid.

86. Ibid., 258, 12 June, 1781.

87. Ibid., 281, 10 December, 1782.

88. GCA, Council Minute Book, C1/1/36.

89. Ibid., 5 January, 1780, 325.



Although Buchanan took advantage of his position to embezzle £1,457.10.1 from the town's funds in his first year of office and was on that account summarily dismissed, his wife was allowed £40 for the support of herself and her family. Five merchants, William French, John Robertson, George Buchanan, George Kippen and James Murdoch promised to reimburse the town for the embezzled sum.<sup>90</sup> Hugh Wylie's widow was given 'an interim supply of money' until his firm's funds could be recovered from America.<sup>91</sup> Richard Smellie was granted the Collectorship of the Statute Work money when his financial position became untenable.<sup>92</sup> This high degree of co-operation between merchants indeed prompts the suggestion that the special circumstances of the colonial trade merely reinforced the tradition of mutuality in Scottish burgh life which scholars have noted in earlier periods.<sup>93</sup>

Even given this level of co-operative action, the burgess rolls of Glasgow reveal there were fundamental causes operating to alleviate the danger of complete family domination stretching over several generations. The number obtaining burgess tickets by means other than by right of the father tended to stay at much the same level throughout our period. Between 1770 and 1785, fifty-seven colonial merchants acquired burgess-ship; of this number just less than half - twenty-one - became burgesses by purchase, marriage, apprenticeship or nomination.<sup>94</sup> In the fifteen years 1795-1810, the corresponding figures were twenty-four and fourteen.<sup>95</sup>

90. Ibid., C1/1/37, 344, 24 June, 1784; 353, 24 June, 1784; Reg. of Deeds, B.10/5/8569, Bond Messrs. French, Buchanan and Others.

91. Ibid., C1/1/37, 28 November, 1782, 138.

92. Ibid., C1/1/40, 9 August, 1792, 174.

93. Lythe, op. cit., 118-19; Smout, op. cit., 76-7.

94. See Appendix II/A-B.

95. Ibid.

An explanation of the open-endedness of the community is likely to take account of two main factors - the collapse of the fortunes of successful families through bankruptcy and the movement of other families away from trade into landownership, the professions and government service. The danger of insolvency was ever present for the eighteenth century merchant. As a lawyer of the period noted, 'a thing felt by every man in trade is the uncertainty of his fortune.'<sup>96</sup> For the merchant involved in the importation of sugar and tobacco from colonial territories the risks (if also the profits) were much inflated. The house in Glasgow had not only to depend upon the vicissitudes of climate and of home and continental markets but also upon the trustworthiness of colleagues in overseas areas and the flow of remittances from often recalcitrant American and West Indian planters. As one contemporary observed -

Everyone is acquainted with the precariousness of a West India property. It is liable to calamities which are unknown in this country; to the hazards of wars and of hurricanes; to the variable value of the produce etc...<sup>97</sup>

In the period 1770-1815 the great merchant families of Bogle, Buchanan, Dunmore, Houston, McDowall, Murdoch, McCall, Dunlop and Monteath were all struck by the spectre of insolvency and their forced exit left space for upward movement and entry into the merchant group.

The Boggles of Baldowie fell victims to the financial crisis of 1772. The collapse of the Ayr Bank, poor harvests, a marked drop in linen production were the symbols of this depression and one contemporary thought that '... the same shock has now been given to Scotland as in King William's reign when the Darien company was broke, and the massacre of Glence happened.'<sup>98</sup> The House of R.

96. SL, CSP162/23, Information for Elizabeth and Barbara Cunninghame, 14-15.

97. SL, CSP413/27, Petition of James Allan and Alex. Young, 16.

98. Aberdeen Journal, 7 September, 1772, quoted in H. Hamilton, An Economic History of Scotland in the Eighteenth Century (Oxford, 1963), 323.

Bogle and Son had been borrowing from various Glasgow banks to cover purchase of stores for America: the depression meant that it was left with total debts owed to various creditors of £10,295.<sup>99</sup> Provost Andrew Buchanan and his kinsman, James, fell victims in 1777 to a combination of managerial incompetence in Buchanan, Hastie and Co. and the effects of the tobacco trade collapse.<sup>100</sup> Another member of the Bogle clan, William Bogle, became insolvent at the same time.<sup>101</sup> George McCall, Archibald Smellie, James Jamieson and the Lord Provost of Glasgow in 1780-81, Hugh Wylie, all suffered financial collapse in the late 1770s.<sup>102</sup> William French, a former member of the giant Speirs organisation, was bankrupt in 1787<sup>103</sup> two years after Walter Monteath who was 'under considerable engagement in consequence of his carrying on an extensive West Indies trade.'<sup>104</sup> The greatest single financial collapse of a colonial merchant was in 1793 when James Dunlop had to apply for sequestration with assets totalling £141,347..0..0 and debts £109,375..6..10.<sup>105</sup> In the 1790s too, Peter Murdoch and Robert Dunmore became bankrupt - one the scion of a family famous in Glasgow's tobacco trade as far back as the late seventeenth century, the other worth over £60,000 in land, stock in trade and personal belongings

99. ML, Bogle MSS, Dundle 54, State of debts for which Lord Justice Clerk and other trustees for Mr. Bogle stand indebted; SRO, Reg. of Deeds, 230/784 MACK.

100. SRO, Currie Dal Seq., B1/1, Buchanan, Hastie and Co. (1777). For a detailed examination of this bankruptcy vide infra, 235-43.

101. GCA, Reg. of Deeds, B.10/5/9250, Conditional Discharge by William Bogle.

102. SRO, UPI Currie Dal B5/8; GCA, Action and Correspondence of Dr. H. Mackilwraith; John Mackenzie, lawsuit; Reg. of Deeds, B.10/5/8339, Disposition of Arch. Grahame as factor on the sequestrated estate of Messrs Smellies, 6 July, 1781.

103. Glasgow Mercury, 25 July, 1787. For his partnership in Speirs concerns see Appendix III/A.

104. SRO, GD247/140, Information for R. Bogle of Shettleston ... 3.

105. GCA, Dunlop Papers, State of the funds of James Dunlop, 23 March, 1793.

in 1793 but who it was alleged had indulged in 'misapplication of Company's funds' for a long period.<sup>106</sup> As his successor in the company put it,

... it is manifest the deplorable situation of the Company accrued during the management of Robert Dummore as well from the force of his accounts as from the very large amount of the loss (not less than £40,000 sterling) by bad debts and otherwise entered into the debit of the profit and loss account ...<sup>107</sup>

The particularly vulnerable nature of the West Indies trade meant that a disproportionate number of bankruptcies occurred in that sector. The greatest crash was, of course, that of Alexander Houston and Co. which ruined the proud families of Houston and McDowall.<sup>108</sup> Yet there were others which, if not on the same scale, were still of considerable magnitude. Thus McNeil, Stewart and Co. failed in 1802 for over £60,000.<sup>109</sup> Another famous firm in the West Indies trade, John McCall and Sons became insolvent in the course of 1819 and had their property sequestered in 1821.<sup>110</sup>

An attempt has been made in the foregoing two paragraphs to stress the erosion of the major firms through a steady process of insolvency. This process meant that the elite perforce had to change. A comparison between the leading firms in the West Indies trade at the end of the American War in 1783 and in 1800 yields interesting results in this regard. In the former year Alexander Houston and Co. (with 1747 hogsheads of sugar), Robert Dummore and Co. (with 1147 hogsheads) and Somervell, Gordon and Co. (with 1181 hogsheads) were the major concerns.<sup>111</sup> By 1800, Somervell, Gordon and Co. (in the form of

106. GCA, Reg. of Deeds, B.10/5/9342; SRO, GD237/151/3, State of Robert Dummore's subjects, 25 October, 1793.

107. SRO, GD247/141, Solicitor's Opinion in the case of R. Dummore; Scroll of Sederunt of Robert Dummore and Co. (1792).

108. Vide supra, 41-9. Minutes books of West India Association of Glasgow, 4.

109. SRO, UP Inglis M/13/4, McNeil, Stewart and Co. versus George Baillie and Co. (1805); BCP I, 66, 904, Agreement and Obligation of the creditors of McNeil, Stewart and Co. (1803).

110. SRO, BCP II, 62, 556, Bill of Suspension and Interdict, Robert Dennistoun and Co. versus Francis Gordon (1821).

111. SRO, E.504/15/37-8; E.504/28/35-6. See Appendix VI/H.

Stirling, Gordon and Co.) were still in the top three but had been joined by two others, John Campbell sen. and Co. and Leitch and Smith.<sup>112</sup>

The disappearance of famous names from the partnership of firms was one factor in enabling new men to ascend higher in the community. Another undoubtedly was the gradual movement away from 'trade' into other occupations. This is a well-known phenomenon in British commercial history. In the early eighteenth century Daniel Defoe noted how

Trade is so far from being inconsistent with a gentleman, that, in short, trade in England makes gentlemen, and has peopled this nation with gentlemen ...; for, after a generation or two, the tradesman's children, or at least their grandchildren, come to be as good gentlemen, statesmen, parliamentarian, privy councillors, judges, bishops and noblemen as those of the highest birth and most ancient families.<sup>113</sup>

A modern student of merchant life in another British city noted the same tendency, 'A merchant family in the eighteenth century continued in business for at the most two or three generations.'<sup>114</sup> An examination of the pattern of 'upward mobility' among Glasgow colonial merchants in the period 1770-1815 presents a more complicated model than the one suggested by Dr. Wilson. One does gain the impression that the returns from involvement in such a sector were so high as to encourage successive generations to retain at least some link with colonial trade. At the same time, the elite role in Glasgow which such merchants enjoyed afforded them the psychological satisfaction which other traders and 'manufacturers' could only obtain through movement into prestigious occupations. Not for nothing were the colonial traders known as an 'aristocracy', as tobacco dons and as West Indian 'merchant princes'.

112. ML, Abstract of Minute Books of West India Association of Glasgow, 6.

113. Daniel Defoe, The Complete English Tradesman (1726), quoted in Perkin, op. cit., 376.

114. R.G. Wilson, 'Records for a study of the Leeds Woollen Merchants, 1700-1830', Archives, VIII (1967), 9-10.

In the tobacco and West Indies trade before and shortly after the American War, there is evidence of several families who continued their interests in trade over two to three generations. John Stirling (1677-1736) together with his brother Walter were members of 'the great company' that evolved in Glasgow in the late seventeenth century to undertake trade to the West Indies and North America.<sup>115</sup> By the 1790s - a century later - the family, though having only tenuous links with colonial trade, were well established in linen-printing in the Vale of Leven and coal-mining in the Monklands.<sup>116</sup> The Buchanans and Dunlops had been involved in the tobacco trade for the greater part of the eighteenth century.<sup>117</sup> The interest of the Murdoch family in colonial trade had spanned four generations - from the founder of the dynasty in the later seventeenth century to John Murdoch jun. (1762-1841) who held shares in the late eighteenth century in Peter Murdoch and Co. and William Cunninghame and Co.<sup>118</sup>

As will be demonstrated later, it was common for families who had moved into landownership to combine the dual function of trader and laird over generations.<sup>119</sup> Thus Colonel William McDowall, a younger son of the ancient family of McDowall of Carthland in Wigtonshire, while quartered in the island of St. Kitts had wooed and won a West Indian heiress, Mary Towie.<sup>120</sup> This was the beginning of the McDowall success story. In the 1720s, together

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115. McCure, op. cit., 170.

116. Stewart, op. cit., 117-132; GCA, Reg. of Deeds, B.10/5/9695, Contract Copartnership among Andrew Stirling etc.; SL, CSP441/62, Answers for Andrew Stirling of Drumpellier, 4.

117. Old Country Houses, LXXVI; ML, MS Notes on the Family of Lunlop of Garnkirk.

118. McCure, op. cit., 170; GCA, Reg. of Deeds, B.10/5/7628; PRO, AOB/56/292.

119. See Chapter below,

120. Mitchell, op. cit., 37, 10; Andrew Brown, A History of Glasgow (Glasgow, 1800), III, 331.

with James Milliken, Col. William established the most extensive and specialised sugar-importing business which had been seen in Glasgow to that date.<sup>121</sup>

The Colonel's successors, William II and William III, both managed to combine extensive holdings in the giant West India firm of Alexander Houston and Co. and the supervision of several thousand acres of land in Renfrewshire, Ayrshire, Wigtonshire and Lanarkshire.<sup>122</sup>

In 1800 these estates were officially valued at £283,834.<sup>123</sup>

It is a debatable point whether the business interests of the family suffered as a result of this bifurcation of interest.

What is of importance in this discussion is that the connection with trade was not severed when the landed estate was acquired.

The Ritchies present a similar pattern in the tobacco trade. John Ritchie was 'a merchand burghess' of Glasgow in the early seventeenth century.

His eldest surviving son, John, was born in 1682. After a successful career in

commerce he purchased the lands of Craigton in Ayrshire. His son, James, (who

inherited this estate in 1755) was extensively involved in the tobacco trade

although he had acquired all the outward trappings of landed respectability

having married in 1758 the daughter of the twelfth Earl of Eglinton, the most

powerful family in Ayrshire at the time.<sup>124</sup> His sons, James and Henry, though

both inheriting land, kept up their father's interest in the tobacco-importing

121. SRO, GD237/139, Minutes of Agreement between William McDowall and Mr. James Gordon, St. Kitts, 28 December, 1723; Mitchell, *op. cit.*, 37 n 10; Crawford and Robertson, *op. cit.*, 358.

122. GCA, General Inventory of rights and titles belonging to William McDowall of Garthland. For a detailed breakdown of their landed interests see Appendix to a ...

123. SRO, GD237/151/5, View of the Affairs of Messrs. Alexander Houston and Co. ...

124. This account of the Ritchies is based on James Paterson, History of the Counties of Ayr and Wigton (Edinburgh, 1866) III, 462-63.

trade, forming the important firm of J. and H. Ritchie and Co.<sup>125</sup>

These were examples of families whose interest in trade spanned several generations. Certainly such examples cannot be regarded as typical but they do serve to make the point that the Glasgow colonial merchant community behaved in a variegated fashion in regard to movement away from trade. No simple model can illustrate the pattern of their response. It was very rare to find, at least until the nineteenth century, examples of merchants' sons of the first generation migrating away from trade.<sup>126</sup> Clearly there was an environmental factor at work here. The sons of a successful merchant were brought up in daily contact with business; even if the father celebrated his success by buying a country estate which the son then inherited, the formative experience of his youth might well encourage him to take a continuing interest in his father's firm. In doing so he may have been following his father's wishes. Alexander Campbell had 'an anxious desire', expressed in his will, to have his eldest son, Mungo, continue as a partner in John Campbell sen. and Co.<sup>127</sup> He specifically wished that Mungo be given 'a mercantile education'.<sup>128</sup> Alexander Speirs gave his son Peter a full and expensive education, including a 'Grand Tour' of the continent in aristocratic fashion, but his earnest wish was that 'he apply himself to the Counting-House'.<sup>129</sup> Thus he had ordered him during his period on the continent to seek experience in several merchant houses

125. SRO, E.504/28/23.

126. As will be pointed out in the detailed discussion on 'Merchants and Land' (vide infra, ) it was even rarer for a merchant who purchased an estate to retire to a comfortable 'rentier' position once he had made his fortune.

127. ML, Campbell of Hallyards Papers, Minute of Meeting of the Trustees of Mr. Campbell of Hallyards, 14 October, 1827.

128. Ibid., Minute of Trustees, 8 April, 1822.

129. GCA, Speirs Papers, TD131/9, Alexander Speirs to J.G. Martens, 20 May, 1782.



in Rotterdam, Ostend, and London, with whose principals Alexander was acquainted.<sup>130</sup> At the end of this tour his father would find him 'land and estate and a small firm in trade'.<sup>131</sup> James Somervell 'much wished' that Somervell, Gordon and Co. would choose to take his son into partnership for two shares when he had reached his majority.<sup>132</sup>

The offspring of merchants, if they wished to continue the family interest in colonial trade would, of course, be at an immense advantage in relation to newcomers to the community. They would already be known to established members, their names would give them reputation and credit-worthiness and above all the wealth of their fathers could supply them with the finance needed to acquire a holding in a colonial trade partnership. Colin Dunlop's father made a 'Bond of Provision' in his favour in 1716 for 3,500 merks (£176..0..0) payable when he became eighteen or on 'going to any lawful employment'.<sup>133</sup> Colin in turn was able to grant his son, John, £3,000 'which sum by common consent ... was stock-in trade' with his brother James.<sup>134</sup> John McCall advanced his two eldest

sons, Samuel and Thomas, 'a considerable sum' specifically for the purpose of 'setting them up in business'. £1,373 was also given to his two remaining offspring, John and James McCall to be put to the same use.<sup>135</sup> Thomas Hop-

kirk allowed his son James £4,000 on condition that he invested it in trade.<sup>136</sup>

No evidence was discovered of merchants actively discouraging their sons from taking up careers in commerce. Rather, as is implied above, the reverse

130. Ibid., to Messrs Mill and Ross, 31 May, 1782.

131. Ibid., to J.G. Martens, 20 May, 1782.

132. GCA, Sederunt Book of James Somervell, 1791-97, 14.

133. ML, MS Notes on the Family of Dunlop of Garnkirk, 59.

134. SRO, Reg. of Deeds, 231/1/937 MACK, Discharge John Dunlop to Colin and James Dunlop.

135. GCA, Reg. of Deeds, B.10/5/9961, Deed of Settlement of James McCall, 28 October, 1802.

136. SRO, Reg. of Deeds, 231/135 MACK, Disposition by T. Hopkirk in favour of J. Hopkirk.

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was true. Andrew Buchanan allowed his eldest son the freedom of choice; either the 'military line' or the 'commercial line'. Whatever career he chose Andrew would provide the funds. In the event of his choosing the army, he wrote his son:

... I intend to purchase you a lieutenancy in an old marching regiment and as soon thereafter as possible ... a Company which I am told is worth £180 per annum and until such times as a Company can be obtained, my intentions are to give you an allowance in money from 2 February which added to the pay of your lieutenancy will amount to £125 per annum ... 137

If he preferred to continue the family involvement in the West Indies trade he was to have a share of the annual profits of Dennistoun, Buchanan and Co. and a promise of a full share in the concern when he had attained majority. 138

When the partners of Somervell, Gordon and Co. allowed James Somervell's son a share in the firm's stock, Somervell proposed that a proportion of the sum allotted to his wife's, sister's and sister-in-law's annuities be put in as his share and his bond taken for it. 139

The preceding discussion has emphasised the imprudence of erecting simple models to describe and explain the movement of merchant families away from colonial trade. Nevertheless, with the qualifications which have been made above borne in mind, it is undoubtedly true that there was a turnover, albeit a slow one, in the families engaged in either the tobacco or West Indies trade.

Two major professions claimed the scions of merchant families - the army and the law. The Revolutionary and Napoleonic Wars which covered twenty

137. SRO, GD1/512/27, Andrew Buchanan to Archibald Buchanan, 9 April, 1794.

138. *Ibid.* For another example of 'free choice' see Neil Jamieson's settlement (GCA, Probative Writs, E.10/12/8/134): sums were allowed his sons for the payment of apprenticeship fees, establishing them in business or purchasing commissions.

139. GCA, Sederunt Book of James Somervell, 1791-97, 14.

years of the period 1770-1815 stimulated the fashionable cult of neo-chivalry.<sup>140</sup> The coincidence of the romantic appeal of war with the declining fortunes of the West Indies trade in the early nineteenth century<sup>141</sup> must have stimulated the young men of families rich enough to afford commissions to neglect the dull routine of the counting-house for the clash and colour of the services. Army commissions in the late eighteenth century cost from £400 for an ensign to £3,500 for a lieutenant colonel.<sup>142</sup> Such sums were not outwith the incomes of most colonial merchant families. Table 9 gives some idea of the degree of flow into the army and navy at this time from such families (p. 64).

A legal career equalled opportunities in the army and navy for those merchants' sons who did not wish to follow their father in trade. Thus William Cunninghame's second son went to India to seek his fortune in the East India Company but his eldest, Thomas, graduated Bachelor of Arts at the University of Glasgow in 1782, and six years later became an Advocate.<sup>143</sup> Both John Glassford's eldest sons, Henry and James, were admitted members of the Faculty of Advocates. James made his life's career in the law, eventually becoming Sheriff Depute of Dunbartonshire.<sup>144</sup> Henry, on the other hand, although a trained lawyer, and although being at various times Vice-Lieutenant of Stirlingshire, M.P. for Dumbarton (elected 1806) and Lord Rector of Glasgow University, continued his father's interests in the tobacco trade at least until the early 1790s. Even later, he had interests in two West India firms and

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140. For the incidence of this in Scotland see L.J. Saunders Scottish Democracy, 1815-40: the Social and Intellectual Background (Edinburgh, London, 1950), 17.

141. For a detailed discussion of this, vide infra, 90-3.

142. E. Robson, 'Purchase and Promotion in the British Army in the Eighteenth Century', History, XXXVI (1951), 59.

143. SRO, GD247/141; Glasgow University Matric. Albums, Matric No. 3774; W.J. Addison (ed.), A Roll of the Graduates of the University of Glasgow (Glasgow, 1898), 1782.

144. Glasgow University Matric. Albums, Matric No. 4328.

TABLE 9

Sons of Colonial Merchants and Military Careers

MERCHANT	SON	RANK	SOURCE
William French	John French	Lieutenant Col. 71st Reg. of Foot	SRO, CC9/7/78/631
Alexander Speirs	Archibald Speirs	Lt. Colonel, 3rd Dragoon Guards	P.A. Ramsay, <u>Views in Renfrew with Hist- orical and Descript- ive Notices</u> (Edinburgh, 1839), 106.
George Oswald	David Oswald	Major, 38th Reg. of Foot	Glasgow Univ. Matric. Albums, No. 4514.
George Oswald	James Oswald	Captain, Royal Navy	Glasgow Univ. Matric. Albums No. 4522.
Thomas Donald	James Donald	Captain, 94 Reg. Reg. of Foot	Glasgow Univ. Matric Albums No. 4841.
Robert Dunmore	Frances Dunmore	Commissary-General	Glasgow Univ. Matric Albums No. 4955.
Robert Dunmore	J. Dunmore Napier	Officer in 85th Regiment	Glasgow Univ. Matric Albums, No. 5234.
John McDowall	Sutherland McDowall	Lieutenant Col. Native Infantry, Madras	Glasgow Univ. Matric Albums, No. 5247.
James McCall	Samuel McCall	Lieutenant Col., 8th Hussars	McCall, <u>op. cit.</u> , 93-4.
John Wallace	James Wallace	General, Knight Commander of the Order of Bath	Old Glasgow Exhib- ition: Catalogue Notes and Indexes, 10.
Andrew Houston	Robert Houston	General, K.C.B.	Burke's <u>Landed Gentry</u> (1894), 997.
William McDowall II	Hay McDowall	General in India	SRO, UPl Adams Mack, S/15/106.
David Russell	David Russell (grandson)	General, K.C.B.	Glasgow Univ. Matric. Albums, No. 5701.
David Russell	John Russell	Admiral	<u>Ibid.</u>

in such industrial units as the Prestonpans Vitriol Company.<sup>145</sup> James Dunlop's son, Colin, had a similar training but did not practise and eventually took over the Clyde Iron Works.<sup>146</sup>

However, the majority of merchants' sons who studied law did sever their relations with trade. John Coats Campbell's only son, Archibald, became Lord Clerk Registrar for Scotland, acquiring the estate of Killermont from his earnings.<sup>147</sup> Archibald Henderson's son became a Writer to the Signet in Edinburgh.<sup>148</sup> John Dunlop who had married into an established legal family went bankrupt but lived to see his only son John Colin Dunlop become Sheriff of Renfrewshire.<sup>149</sup>

There were few prestigious careers which did not attract the offspring of the Glasgow colonial merchant group although law and the armed forces certainly were the most popular choices. Colonial governors, scholars and ambassadors all came from their ranks. Alexander Houston of Clarkington was governor of Grenada in the early nineteenth century, doubtless as a result of his family's long-standing connections with the commerce of that island.<sup>150</sup> James Smith of Jordanhill, FRS., FGS., FRSE., son of Archibald, was one of

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144. Glasgow Univ. Matric. Albums, Matric No. 4328.

145. Glasgow Mercury, 19 January, 1790; Glasgow Advertiser, 22 January, 1790; Gourlay, op. cit., 48-9; Glasgow Courier, 29 May, 1819; GCA, TDI/88; SRO, Reg. of Deeds, 279/387 DUR.

146. SRO, UPI Currie Dal C/11/19, Clyde Ironworks versus Colin Dunlop.

147. SRO, CC9/7/79/623. Testament of John Coats Campbell.

148. GCA, Probative Writs, B.10/12/8/134.

149. Old Glasgow Exhibition, Catalogue, Notes and Indexes, 43 DNB, VI, 208. John Dunlop wed Jessie, daughter of Lord President of the Court of Session, Sir Thomas Miller of Glenlee.

150. SRO, Reg. of Deeds, 271/583, DUR, Commission, Alexander Houston to John Campbell.

the most renowned geologists of the nineteenth century.<sup>151</sup> James Mackenzie's only son, William (1791-1868) became Surgeon Oculist in Ordinary to the Queen in Scotland,<sup>152</sup> while Sir Archibald Duchanan, eldest son of the co-founder of Dennistoun, Duchanan and Co., was British Ambassador to Russia in the 1870s.<sup>153</sup>

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151. DNB. His 'magnum opus' was Researches in New Pliocene Geology (1862).

152. Glasgow Univ. Matric. Albums, No. 6538.

153. Old Country Houses, XXVI.

**PART I**

**Glasgow Merchants in Colonial Trade, 1770-1815**

**CHAPTER II**

**The Glasgow Colonial Merchant Community, 1710-1815 : II**

- (1) Economic and Social Position of Colonial Merchants in Glasgow, 1770-1800.**
- (2) 'Decline' of the Colonial Merchant Community, 1800-1815.**



The wealth and status of the colonial merchant group and the fact that it could not be challenged by any similar body before the 1790s gave it an overwhelming dominance in Glasgow's civic, cultural and social affairs before and even after the outbreak of the American War of Independence. Alexander Carlyle, a student at the University of Glasgow between 1743-45, noted how the opulence of the few far outweighed the relative poverty of the many. Apart from 'a few families of ancient citizens who pretended to be gentlemen' and 'a few ... who had obtained wealth and consideration in trade' the vast proportion of Glasgow's commercial community were '... shopkeepers and mechanics, or successful pedlars, who occupied large warerooms full of manufactures of all sorts to furnish a cargo to Virginia.'<sup>1</sup> The situation had not altered all that much by the early 1770s. All sorts of evidence can be submitted to demonstrate the control of the colonial merchant group. The list of Merchant Rank Groupings on Glasgow Town Council for the years 1775-80 shows that in each year except 1779, eighty per cent of the councillors were involved in colonial trade.<sup>2</sup> Lord Provosts of the town between 1770 and 1780 were all tobacco or West India merchants.<sup>3</sup>

**TABLE 10 : Lord Provosts of Glasgow, 1770-1781**

<u>MERCHANT</u>	<u>YEARS OF OFFICE</u>
Colin Dunlop	1770-71
Arthur Connell	1772-3
Robert Donald	1774-7
William French	1778-9
Hugh Wylie	1780-1

1. Autobiography of the Rev. Dr. Alexander Carlyle Containing Memorials of the Men and Events of his Time (Edinburgh and London, 1860), 74.

2. GCA, Council Minute Book, 1775-80, C1/1/35-37. See Appendix II/C for names of merchants involved.

3. Ibid., C1/1/33-37.

Other public bodies showed similar patterns. As late as 1787, by which year the stranglehold of the colonial merchant group was beginning to relax,<sup>4</sup> membership lists of the Clyde Marine Society, Committee of Management of the Forth and Clyde Navigation, Committee of Management of the Tontine, and the Management Board of the Merchants House, still illustrated their power.<sup>5</sup>

**TABLE 11 : Colonial Merchants in various Public Bodies**

<b>PUBLIC BODY</b>	<b>No. OF COLONIAL MERCHANTS</b>	<b>TOTAL MEMBERSHIP</b>
Merchants House Management	30	40
Clyde Marine Society	9	9
Forth and Clyde Canal Management	7	9
Tontine	5	8

In the Directorate of the Chamber of Commerce in the same year - a body established on 'the most liberal and equitable foundation' to be representative of 'all merchants, traders and manufacturers from Glasgow, Paisley, Kilbarchan, Greenock, Port Glasgow, Kilmarnock, together with other towns and villages on the banks of Clyde'<sup>6</sup> - out of twenty-four Directors, thirteen were merchants in colonial trade.<sup>7</sup> Thus the group held over fifty per cent of the seats on the Directorate but only numbered 52 of a total Chamber of Commerce membership of 190 in 1787.<sup>8</sup>

Their ascendancy can also be seen in the physical layout of Glasgow in this period. A 'Plan of the City of Glasgow' from a survey carried out by

4. Vide infra, 82.

5. GCA, Records of Merchants House of Glasgow, Minute Book III, 1754-90; Janes's Directory for 1787, 4; GCA, Town Council Minute Book, C1/1/38/207; Janes's Directory for 1787, 6.

6. UOS, Minutes of Glasgow Chamber of Commerce, 1 Jan, 1783, 1.

7. ML, Chamber of Commerce MSS, B/15, List of Directors, 1787.

8. Ibid.

John McArthur in 1778 depicts the great town mansions of the tobacco aristocracy. Only churches, the hospitals and the various 'manufactories' in the town could rival these for size; few buildings, however, could compete with them for architectural magnificence. In the segment of ground bounded by Buchanan Street on the west, Candleriggs to the east and Argyle Street to the south was to be found William Cunninghame's mansion - built at a cost of £10,000. In the nineteenth century this formed part of the Royal Exchange.<sup>9</sup> Here too Alexander Speirs built his town house at a cost of £3,500.<sup>10</sup> The famous Virginia Mansion, belonging to James Buchanan, John McCall's 'Black House', the imposing dwellings of Robert Bogle, James Ritchie and John Glassford were unmistakable signs of the social and economic power of the tobacco lords.<sup>11</sup> Patrick Colquhoun's residence was of such grandeur that it was later converted into part of the Kelvingrove Museum.<sup>12</sup>

The funds of these merchant were slowly changing the face of Glasgow in the 1760s and 1770s. Extension of the town away from its old centre in the Saltmarket-Gallowgate-Candleriggs area was primarily due to their exertions. Buchanan Street commemorates the activities of one merchant family.<sup>13</sup> An area in the Lang Croft was being feued in 1775 by tobacco merchants but the outbreak of the American War put a complete stop to building operations for a time.<sup>14</sup> Robert Hastie and Robert Bogle were important members of the group which financed the construction of Miller Street: in 1773 they were petitioning the Town Council to meet the cost of causewaying this street.<sup>15</sup> The modern

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9. Stewart, op. cit., 194-5.

10. GCA, Speirs Papers, TD131/5, Ledger 'C'.

11. Senex, II, 399, 426; III, 163.

12. Stewart, op. cit., 189.

13. Glasgow Journal, 3 April, 1777.

14. Stewart, op. cit., 224.

15. GCA, Council Minute Book, C1/1/35.

street names of Glassford Street, Gordon Street, Ingram Street, French Street pay tribute to such activists and to the fame and influence of the colonial merchant group at this time.<sup>16</sup>

The power of these men also filtered into neighbouring counties. The popularity of country estates with successful businessmen is a well-known phenomenon in the social and economic history of the eighteenth century.<sup>17</sup>

Lord Cockburn thought that merchants had 'a yird hunger' -

The tradesmen's dream over the counter is of land; and if he once gets the acres, a single month of them, with "esquire" changes his nature. He is a laird and his dreams are of the country gentleman. This is the natural aristocracy of land, and it needs no go-cart to help it.<sup>18</sup>

The penetration of colonial merchants into the counties around Glasgow meant that their inclinations had to be taken into consideration in national politics. Some merchants, such as Alexander Speirs, bought land partly out of a desire to enter the political arena.<sup>19</sup> Once there, their wealth allowed them to behave more independently than the ordinary voter anxious for government favour or office. The 'Political State of Scotland in 1788', a document compiled to assist the management of the Whig opposition in Scotland to the administration of William Pitt and Henry Dundas, clearly shows this.<sup>20</sup> The names of such men consistently appear among those upon whom no 'party' tag can easily be placed: James Ritchie was 'a very independent man', in Ayr-

16. See generally, James Muir, Glasgow Streets and Places (Glasgow and Edinburgh, 1899).

17. The whole subject of 'Colonial Merchants and Land' will be discussed in Chapter 9.

18. Journal of Henry Cockburn, 1831-1854 (Edinburgh, 1874), II, 170-1.

19. SL, CSP 608/4, Petition and Complaint of William McDowall of Garthland, 23 November, 1790.

20. There is a manuscript copy of this report in the Mitchell Library, Glasgow; hereafter it is referred to as Political State, 1788.

shire; William Cunninghame was 'undeclared'; William McDowall III was described as 'a rich and independent man' though with leanings to Dundas; Thomas Buchanan was 'a very independent man' in Dunbartonshire; Henry Glassford had 'an independent fortune'.<sup>21</sup>

Some of the estates of these merchants ran to several thousand acres<sup>22</sup> and this gave them control over a corpus of votes. Alexander Speirs could control fifteen votes out of 114 in Renfrewshire because he had 'the largest property estate in the County'.<sup>23</sup> William McDowall III, a fellow merchant, was on the opposite side of the political fence<sup>24</sup>. Speirs was an ardent opponent of Pitt and McDowall favoured the government. The latter could manipulate twenty-one votes in the same county.<sup>25</sup> James Dunlop controlled nine votes in Lanarkshire and 'had a good deal of interest about Glasgow from his connection with the Houstons and Scott of Aikenhead'.<sup>26</sup> The Oswald family were 'one of the main interests' in Kirkcudbright.<sup>27</sup>

Glasgow colonial merchants figured among the list of MPs for the counties around the town. Henry Glassford of Dougalston represented Dunbarton County in 1806. Alexander Houston of Clerkington was M.P. for Dunbarton Burgh in 1802, 1810, 1818-26.<sup>28</sup> William McDowall III represented the County of

21. Ibid., 33, 149, 36, 95, 226.

22. Vide infra, 447-9.

23. Political State, 1788, 279.

24. For opposition between these two merchant families see a series of law cases in Court of Session Processes, SL, CSP 608/1-9; 560/41, 47.

25. Political State, 1788, 279.

26. Ibid., 213.

27. Ibid., 195. For the position of colonial merchants as Deputy Lord Lieutenants, Commissioners of Supply, heritors and patrons vide infra, 432-4.

28. Joseph Irving, The History of Dunbartonshire from the earliest Times to the Present Time (Dunbarton, 1857), 546-47.

Renfrew in five different Parliaments - 1783, 1784 and 1802, 1806, 1807.<sup>29</sup>

He was also M.P. for Ayrshire in 1789-90.<sup>30</sup> His father William II had represented Renfrew in 1768-74.<sup>31</sup>

The power and prestige of this elite in late eighteenth century Glasgow needs no further emphasis. The basis of this position was obviously the great profits that could be made in colonial trade. The mechanics of profit-making will be explored in detail later.<sup>32</sup> Here it is merely intended to point to some of the tangible signs of the wealth gained from these profits which underpinned the social, economic and political ascendancy of those men in the first two decades of our period.

Alexander Speirs, by dint of 'his industry and success at trade' was worth £153,170..18..9 by the time he was 59.<sup>33</sup> William Cunninghame, who as late as 1759, was a factor in a Glasgow store in Virginia, was by the 1780s able to lend more than £150,000 to his brother-in-law, Robert Dunmore, over a ten year period.<sup>34</sup> John Glassford was worth £40,000 when he died.<sup>35</sup> Riches on this scale were almost certainly unique among the community but most colonial merchants did attain a position of material comfort far above their fellows in late eighteenth century Glasgow. Robert Campbell's view of the

29. G. Crawford and G. Robertson, A History of Renfrewshire (Paisley, 1818), 358.

30. Sir Lewis Namier and John Brooke, The History of Parliament: the House of Commons, 1754-90 (London, 1964), III, 82.

31. Ibid., 82. For connection between McDowalls and Henry Dundas see SR0, GD237/139, Dundas - McDowall Correspondence.

32. See below.

33. SL, CSP 180/7, Answers for Arch Speirs of Elderslie ... 1; GCA, Speirs Papers, TD131/6/3c.

34. SR0, GD247/140, Answer for Will. Cunninghame ... 1768, 1; GD247/141, Scroll of Sederunt of Robert Dunmore and Co. (1792).

35. Baillie's Inst., Library, J.T. and A. Douglas and Co. versus John Glassford, 34652/F/6-17.

overseas merchant as at the pinnacle of commercial status is certainly borne out in the town at this period.<sup>36</sup> The rise of the luxury trades was a specific result of the developing demand from these men. Alexander Carlyle noted that in Glasgow in the 1740s<sup>37</sup>

There were not half-a-dozen families in town who had men-servants.... There were neither post-chaises nor hackney-coaches in the town, and only three or four sedan chairs for carrying mid-wives about in the night, and old ladies to church, or to the dancing assemblies once a fortnight.

By the 1780s, however, the town of Glasgow boasted 2 coach builders, 14 saddlers, 14 booksellers, 3 perfumers, 26 hairdressers besides 18 barbers, 4 architects, 1 carver and gilder, 3 jewellers, 23 cabinet-makers, 1 carpet-warehouse, 3 engravers, 5 merchant tailors and 2 marble cutters.<sup>38</sup> Sedan chairmen - notable by their absence in the 1740s - had become so numerous by the early 1770s that in 1775 they petitioned the Town Council for permission to form a society 'to provide a fund for the support of distressed persons of their number or their widows and children'.<sup>39</sup>

The evidence of mercantile testaments adds a further dimension to this point. Archibald Ingram might well fit a description of the average merchant. His shares in George Kippen and Co. and Ingram, Kippen and Co. were £2,100 ( $\frac{2}{19}$ ) and £225.3.7 ( $\frac{1}{4}$ ) respectively.<sup>40</sup> Obviously he was not in the same financial level as a Cunninghame or a Speirs. Yet he owned a chaise, a gold watch, an extensive library and the value of his 'houses, shops, cellars and warehouses' came to £5,310.10.0.<sup>41</sup> Henry Riddell left a fortune in a modest

36. R. Campbell, The London Tradesman (1747), 331 ff. quoted in Harold Perkin The Origins of Modern English Society, 1780-1880 (London, Toronto, 1969) 44.

37. Carlyle, op. cit., 75.

38. A Reprint of Janes's Directory for the year 1789 (Glasgow, 1866), VIII. )

39. GCA, Council Minute Book, Cl/1/35/473, 19 December, 1775.

40. Dailie's Inst. Lib., Sederunt Book of the Trustees of Arch. Ingram, 44.

41. Ibid., 7, 29.

estimation, amounting to upwards of £26,000 sterling'.<sup>42</sup> At his death James Somervell, who throughout his career had held shares in both Virginia and West India firms had assets to the value of £31,707.<sup>43</sup> John Leitch's household furniture was worth £1,200 in 1802 with 'personal expenses' about £1,300 per annum.<sup>44</sup> Thomas Hopkirk's 'articles of wearing apparel' at his death amounted to £141..5..11 in value.<sup>45</sup>

Conspicuous consumption did, of course, result from the individual wealth of these merchants. The references to 'fine linen, gold braid and silver plate', so common in their wills, bears this out.<sup>46</sup> One thinks, for instance, of John Glassford building his mansion house on his estate of Douglaston with a facade 100 feet in length, diverting streams to form a lake 30 acres in extent and constructing a separate edifice called the 'Banqueting House' but which was used for gaming.<sup>47</sup> Such ventures and the possession of furniture, jewellery and pictures - Alexander (Picture) Gordon owned a collection of paintings said to be worth £30,000 - were the tangible expressions of the merchant's success. The evidence suggests, however, that Lord Cockburn's comment that 'nothing is so rare in Scotland as a merchant uniting wealth with liberal taste' could scarcely apply to the Glasgow colonial merchant community in the late eighteenth century.<sup>49</sup> Their interest in religion and in cultural and intellectual activities does not square with

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42. SL, CSP. 438/18, Minutes in Process, Henry Riddell and others against John Riddell and others ... 5.

43. GCA, Sederunt Book of James Somervell, 13.

44. GCA, Journal of John Leitch, 13, 64.

45. SRO, CC9/7/80/514.

46. See for example SRO, CC9/7/78/181, (Andrew Houston); CC9/7/80/514 (Thomas Hopkirk); CC9/7/80/479 (Laurence Dinwiddie); CC9/7/79 (Robert Mackay).

47. Gourlay, *op. cit.*, 45-6.

48. Stewart, *op. cit.*, 217.

49. Henry Cockburn, *Memorials of His Time* (Edinburgh, 1909 edn.), 105.



the concept of the cold-blooded materialist nor with the view promulgated by modern historians of the merchant communities of other British ports.<sup>50</sup>

The point that ought to be emphasised immediately is that a goodly proportion of Glasgow's colonial merchants were better educated than their fellows elsewhere. The printed Matriculation Albums of the University of Glasgow allow one to gauge with some accuracy the number of such men who undertook courses there.<sup>51</sup> Although matriculation was compulsory only for Arts students and for those who wished to vote in Rectorial elections, almost all theology students and a considerable proportion of law students took a preliminary Arts degree before embarking on more vocational studies.<sup>52</sup> An examination of the Albums from 1728 until 1800 reveals that 68 of the total of 165 merchants matriculated at the University.<sup>53</sup> Forty-one of these were the sons of Glasgow merchants.<sup>54</sup> This pattern does seem to differ from the English experience where budding merchants were usually put in a counting-house at an early age and expected to serve a long apprenticeship.<sup>55</sup> While noting this fact it would be wrong to overemphasise this point. For one thing an eighteenth century Scottish university conformed more to the image of a modern secondary school than to a modern institution of higher education. Statistics

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50. For example R.J. James describes Bristol merchants as 'uncouth and apart from the minimum requirements of business, illiterate'. See R.J. James 'Bristol Society in the Eighteenth Century' in C.M. Macinnes and W.T. Whittard (eds.), Bristol and its Adjoining Counties (Bristol, 1955), 232.

51. W.J. Addison (ed.) The Matriculation Albums of the University of Glasgow, 1728-1858 (Glasgow, 1913).

52. David Murray, Memories of the Old College of Glasgow (Glasgow, 1927) 277.

53. Matric Albums, passim; see Appendix I for the names of those included in the number of students.

54. Ibid.

55. W.E. Minchinton, 'The Merchants in England in the eighteenth century', Explorations in Entrepreneurial History, X (1957), 62-71.

on the age of students show that the normal age for matriculation varied between 12 and 14 years. Thus John Glassford was thirteen when he enrolled as a student in 1728.<sup>56</sup> Thirty years later James Hopkirk entered the precincts of 'higher learning' at the same age.<sup>57</sup>

An examination of the Roll of Graduates of the University at this time shows that not one student as far as can be ascertained who eventually made his career in colonial trade actually completed the Arts course and gained a Degree.<sup>58</sup> Alexander Carlyle, a student at Glasgow in the 1740s noted how 'it was usual for the sons of merchants to attend the College for one or two years ...'<sup>59</sup> The same system persisted into the nineteenth century: the University Commissioners visited Glasgow in the 1820s and reported on:

... young men not intended for any learned profession ... but sent for one or more years to College in order to carry their education farther than that of the schools before they are engaged in the pursuits of trade or of commerce.<sup>60</sup>

It may well be, however, that the concept of university attendance necessarily leading to graduation is relatively modern. Students attended 'classes' and the class ticket was a kind of minor degree parchment.<sup>61</sup> Moreover, members of the University of Glasgow at this time were being taught by men of international renown; and were probably being trained in academic subjects to a far higher level than the majority of their counterparts south of the Border. Adam Smith was Professor of Moral Philosophy from 1751-1763.<sup>62</sup>

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56. Matric. Albums, Matric No. 26.

57. Ibid., Matric No. 2168.

58. W.J. Addison (ed.), A Roll of the Graduates of the University of Glasgow (Glasgow, 1898), 1727-1897.

59. Carlyle, op. cit., 74.

60. General Report of the Commissioners appointed to Visit the Universities and Colleges of Scotland, October, 1830, 9, quoted in W.H. Mathew, 'The Origins and Occupations of Glasgow Students, 1740-1839; Past and Present, 33 (1966), 91.

61. This suggestion was made to me by Professor S.G.E. Lythe.

62. W.R. Scott, Adam Smith as Student and Professor (Glasgow, 1937).

One of Smith's predecessors in the same Chair, Francis Hutcheson, was a major force in the movement towards moderatism in the West of Scotland Church.<sup>63</sup>

Robert Simson, Professor of Mathematics, Alexander Dunlop who held the Chair of Greek, Dr. William Cullen and Joseph Black were all teaching at Glasgow in this period. Subjects which might be of interest to merchants were not neglected. In 1730 £5 was allotted to one Francis Boud as an annual salary by the Faculty of Arts because 'it is of considerable advantage to have residing and teaching in this place a native of France who understands and can pronounce his own language accurately....'<sup>64</sup>

There were also 'several schools' in Glasgow in the 1770s which could offer a rudimentary education in reading and writing and at the same time take the pupil into the mysteries of Latin and Greek Grammar.<sup>65</sup> At the Grammar School the curriculum was strictly academic with little recognition given to vocational subjects. It taught mainly Latin and Greek, Classical Antiquities and Geography.<sup>66</sup> At a meeting of the Committee on the Grammar School in 1786 the books to be used were:

... for the first year ... the Rudiments and a little of Cordery; second year, more of Cordery, part of Grammatical Exercises, or Mair's Introduction; third year, more of Mair (or the Exercises) with Caesar and Ovid; fourth year Sallust, Virgil and part of Horace ....<sup>67</sup>

One meeting per week was generally devoted to reading the Scriptures and another to 'some abridged History of Scotland, England Rome or Greece.'<sup>68</sup>

For sons of the wealthier elements among the merchant community there was

63. Carlyle, op. cit., 68.

64. James Coutts, A History of the University of Glasgow from its foundation in 1451 to 1909 (Glasgow, 1909), 230.

65. GCA, Council Minute Book C1/1/35/447, 25 October, 1775.

66. W.M. Wade, The History of Glasgow, Ancient and Modern (Paisley, 1821) 288.

67. Quoted in James Cleland, Historical Account of the Grammar School of Glasgow (Glasgow, 1825), 28.

68. Ibid.

the opportunity to be educated privately or to be sent to the continent to acquire experience and the finer points of European manners. Alexander Campbell's two sons, Mungo and Archibald had two clergymen as tutors; plans were also being made for Mungo so that when he was 'more advanced in years ... he could be placed on the Continent to equal advantage, and where he would acquire one or more of the modern languages.'<sup>69</sup> James Somervell's son was to be placed under the care of the Rev. Mr. Robert Hunter, Rector of Barton, Dorset 'for some time'.<sup>70</sup> An Episcopalian, like so many of his fellows, Somervell wished to ensure that his son would have the correct religious training which might be difficult to obtain in Presbyterian Scotland. In addition, the Rev. Hunter was to do 'ample justice to Mr. Somervell in forwarding his Education and Improvement in useful and polite literature ....' For those who followed a more orthodox religious life, Scottish graduates in Divinity who found difficulty in obtaining a living, could be engaged as tutors. Thus William Coats, a Master of Arts of Glasgow, became tutor to the Dunlops of Carnkirk.<sup>71</sup> Both Peter and Archibald, the sons of Alexander Speirs, received a highly expensive education on the continent. Peter's 'Grand Tour' lasted from 1775 until 1783. Throughout this period he visited Holland, Germany, France and was taught German, Italian and French. He was also educated in the skills of a gentleman, learning dancing, riding and fencing. The total cost of his education in 1778-9 amounted to £1,148..8.<sup>72</sup>

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69. ML, Campbell of Hallyards Papers, Colin Campbell to John Campbell, 8 April, 1822.

70. GCA, Sederunt Book of James Somervell, Copy letter of Trustees to Rev. Mr. R. Hunter, 13 January, 1792.

71. Hew Scott (ed.), Fasti Ecclesiae Scoticae (Edinburgh, 1920) III 114.

72. NLS, Speirs Papers, ACC 3296, Educational expenses for Peter Speirs; GCA, Speirs Papers, TD131/9, A Speirs to J.G. Martens, 20 May, 1782; to Thomas Eden, 20 June, 1782.

Men reared by these processes were not likely to be completely absorbed in the business of money-making. Doubtless the young 'arriviste' to the community would have to work hard and long and would have little time for less material pursuits,<sup>73</sup> yet the merchant elite was establishing in late eighteenth century Glasgow a vigorous urban culture; as Robert Chambers pointed out -

... among the active merchants of Glasgow are to be found men of prodigious wealth, and at the same time highly elevated and enlightened minds, who form a sort of nobility.<sup>74</sup>

This culture manifested itself in various ways. The proliferation of clubs in Glasgow and Edinburgh as centres of debate and discussion is a well-known phenomenon to observers of eighteenth century social history.<sup>75</sup> Glasgow colonial merchants were instrumental in establishing several of these. They predominated in the Hodge Podge club 'constituted with the object of assisting the members to form correct views upon matters of a literary, political or philosophical nature, and also of improving themselves in public speaking.'<sup>76</sup> In 1743 Andrew Cochrane and others founded a weekly club, 'in which their express design was to inquire into the nature and principles of trade in all its branches and to communicate their knowledge and views on that subject to each other'.<sup>77</sup> Later James Ritchie, Alexander Speirs, John Glassford, George and John Murdoch, Thomas Dunmore and Alexander Oswald were all members.<sup>78</sup> Adam Smith mingled with this group and regularly read them

73. Carlyle, op. cit., 75.

74. R. Chambers, The Picture of Scotland (Edinburgh, 1827), I, 310. This was in the best Scottish urban tradition; see Lythe, op. cit., 120-1.

75. See John Strang, Glasgow and its Clubs (Glasgow, 1857); D.D. McElroy, 'The Literary Clubs and Societies of Eighteenth Century Scotland' (Ph.D. Thesis, Univ. of Edinburgh, 1952); David Craig, Scottish Literature and the Scottish People, 1680-1830 (London, 1961), 40-71.

76. Stewart, op. cit., 143.

77. Carlyle, op. cit., 73.

78. Scott, op. cit., 81, 86.

papers.<sup>79</sup> A third club, the literary society of Glasgow, whose main driving forces were the merchants, Robert Bogle and William Crawford, and a Dunbartonshire laird John Graham of Dougalston, met weekly for the discussion of literary, philosophical and political questions.<sup>80</sup> Dr Thomas Reid, who succeeded Adam Smith in the Chair of Moral Philosophy spoke to them on matters appertaining to commerce, reading such papers as 'whether Paper credit is beneficial or hurtful to a trading nation'<sup>81</sup> and 'wherein consists the nature of a contract and does it involve contradictions as Mr. Hume asserts?'<sup>82</sup> Art, science and the theatre were also patronised. Alexander Campbell left legacies to the Gaelic Society and the Glasgow Observatory.<sup>83</sup> Directors of the Sacred Music Institution 'designed to promote a taste in sacred music' included Henry Riddell, Cunninghame Corbett and Robert Findlay.<sup>84</sup> Robert Foulis, printer and bookseller, conceived the idea of setting up an Academy of the Fine Arts in Glasgow. While touring in foreign parts he had observed 'the connection and mutual influence of the arts and sciences upon one another and upon society.'<sup>85</sup> The 'Foulis Academy' however encountered hostility and lack of finance in its early stages and its historian freely admits that its development was due to the patronage and financial backing of three tobacco lords, John Coats Campbell, John Glassford and Archibald Ingram.<sup>85</sup> At his death, Ingram had still £400 in Foulis's 'Academy of Painting'.<sup>86</sup> James

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79. John Rae, Life of Adam Smith (London, 1895), 91; J.F. Bell, 'Adam Smith, Clubman', SJPE, VII (1960), 110.

80. Anon., Notes and Documents illustrative of the Literary History of Glasgow during the great part of last century (Glasgow, 1886), 81-90.

81. Read on 1 May, 1767.

82. Read on 7 May, 1779.

83. ML, Campbell of Hallyards Papers, Alexander Campbell's Estate, Revenue, August, 1817.

84. Glasgow Almanack for 1798, 234.

85. Notes and Documents illustrative of Literary History of Glasgow, 81-90.

86. Baillie's Inst. Library, Sederunt Book of Archibald Ingram, 44. For John Coats Campbell's interest see SR0, CC9/7/79/623.

McDowall, James Dunlop, Robert Eogle, William Eogle and John Baird of Craigton (a local landowner), subscribed a sum for the erection of a theatre in Glasgow in the early 1760s;<sup>87</sup> The absence of such a building had been one factor in stimulating Alexander Carlyle to accuse the town's business community of philistinism in the 1740s.<sup>88</sup> After some difficulties over the purchase of land, the theatre was opened in the spring of 1764.<sup>89</sup>

The private pursuit of knowledge was also not neglected. Carlyle thought that few of the members of the community in his generation could be called 'learned merchants';<sup>90</sup> whatever the truth of this assertion it is plain that several of them did conform to the enlightenment ideal of wide and catholic reading. Alexander Speirs's library of 3,000 books ranged from four volumes of Montesquieu to 'a short History of the Reformation in Scotland' and from 'Philological Inquiries in 3 parts' to Goldsmith's 'History of Greece'.<sup>91</sup> Archibald Ingram's tastes centred on works of theology but his library also shows a fondness for ancient history and the works of modern French authors.<sup>92</sup> A contemporary thought the mansion house of the Houston family at Jordanhill 'contained one of the best libraries in the West of Scotland, particularly in the department of voyages and travels and also a good collection of pictures.'<sup>93</sup>

87. Muir, op. cit., 88.

88. Carlyle, op. cit., 75.

89. Muir, op. cit., 88.

90. Carlyle, op. cit., 75.

91. GCA, Speirs Papers, TD131/10-12, Diary of Alexander Speirs, Books for Library, 1781.

92. Baillie's Inst., Library, Sederunt Book of Archibald Ingram, 1, 7.

93. Phillip A. Ramsay, Views in Renfrewshire with Historical and Descriptive Notices (Edinburgh, 1839), 90.

## II

The period 1770-1815 is of great interest to the student of colonial trade in eighteenth century Glasgow. Within it the colonial merchant group reached the peak of its economic, social and political eminence in the city and at the same time these years witnessed the first erosion in the power of the great families who formed the elite of this group. One can use various indicators to outline the declining voice in local political and economic affairs of these families. The number of persons obtaining burghership in the late eighteenth and early nineteenth century who later became colonial merchants declined absolutely and also as a proportion of the total of merchant burghesses.<sup>1</sup> Between 1776-80 twenty-one colonial merchants became burghesses and guild brethren of Glasgow. From that point, each four year period witnessed a movement downwards from this peak. By 1801-5, only four of those obtaining burghership became merchants in colonial trade in subsequent years. The decline in those able and willing to set themselves up in this sector is unmistakable. This trend is confirmed by the relative decline of merchant burghesses in colonial trade as a proportion of the whole. Whereas between 1766-70 about 158 men became merchant burghesses of Glasgow this total more than doubled between 1786-90 to 381, clearly a reflection of the developing economic vitality of the West of Scotland as the eighteenth century neared its close.<sup>2</sup> Although between 1766-70 colonial merchants had formed about 10.1 per cent of those gaining burgherships, in the four years 1801-5 the figure had dropped to 2.1 per cent and fell again between 1811-15 to 0.4 per cent.

1. These figures are calculated from the Glasgow Roll of Burghesses, Vol. II. For a more detailed breakdown of the figures see Appendix II/A.

2. H. Hamilton, The Industrial Revolution in Scotland (Oxford, 1932), passim.



We have already noted how in the 1770s and 1780s, tobacco and West Indian merchants dominated merchant rank groupings on Glasgow Town Council.<sup>3</sup> An analysis of the occupations of councillors in the 1790s and 1800s adds weight to the point developed in the previous paragraph on the declining power of the colonial merchant group. In 1790 ten of the thirteen merchant members of council were colonial traders.<sup>4</sup> The later years of the decade saw considerable variation in their representation alternating from four in 1794 to seven in 1798.<sup>5</sup> However, in the early 1800s the trend downwards was more clear cut, moving from nine colonial merchants in 1800, to five in 1801 and thereafter to two in every successive year to 1806.<sup>6</sup>

While noting this decline in local political power it would be unrealistic to claim that the erosion of mercantile influence had been as speedy and dramatic as these figures suggest. The prestige and wealth of the West India merchants enabled them to continue to secure even in the last decade of our period, almost a monopoly over the office of Lord Provost of the City. John Hamilton (1754 - ?) who carried on an extensive trade to the Caribbean via John Hamilton and Co. and who was related through marriage to the Dugles and the Campbells, was Provost three times: 1800-1, 1804-5 and 1810-11.<sup>7</sup> James Black served from 1808-9 and 1816-17<sup>8</sup> and James Mackenzie from 1806-7.<sup>9</sup> Only Kirkman Finlay and Henry Monteith of the new manufacturing class managed to break their grip on the office in 1811-12 and 1814-15 respectively.<sup>10</sup>

3. Vide supra, 67-8.

4. GCA, Council Minute Book, C1/1/39/237. Full details on council membership are given in Appendix II/C.

5. Ibid., C1/1/41/226; C1/1/42/611.

6. Ibid., C1/1/44/260; C1/1/45; C1/1/46/237, 566; C1/1/47/313.

7. Gourlay, Provosts of Glasgow, 111-112; Old Glasgow Exhibition, 127.

8. Ibid., 116.

9. Ibid., 114.

10. Ibid., 116, 120.

Yet one does gain the impression that the colonial merchant did not cut as impressive a figure in local politics in the early nineteenth century as he had done in previous decades. The interest of the West India merchants no longer coincided with that of the Glasgow Town Council. Thus in 1809 representatives of several sugar and cotton importing firms including John Campbell sen. and Co., Robert Eccles and Co., Stirling, Gordon and Co., and Dennistoun, Buchanan and Co. petitioned the Magistrates and Council of Glasgow on the unsatisfactory state of the harbour of the Broomielaw:

... it is now found totally inadequate to accommodate the vessels ... we have suffered for a considerable time past and are daily suffering losses by damage and detention owing to the smallness of the harbour.

They thus asked the magistrates to give 'a speedy and permanent addition to the present quay at the Broomielaw'.<sup>11</sup> The Corporation refused, however, and went on to point out that in their petition the West India merchants had not been in agreement with the Merchants House, Trades House or the Glasgow Chamber of Commerce.<sup>12</sup> The fruitless negotiations led to the highlighting of the emerging gap between West Indian and Corporation interests. Eventually the merchants decided to petition Parliament for a separate organisation to be established to administer the harbour -

... the Corporation of the City, however respectable and well qualified to transact their own affairs are not a proper body for being sole managers of a public and separate trust.<sup>13</sup>

The West India merchants had, in fact, to unite to protect their own interests in the West India Association of Glasgow, formed in 1807.<sup>14</sup> They

11. Glasgow Herald and Advertiser, 21 April, 1809; ML, Abstract of Minute Books of West India Association of Glasgow, 1st February, 1809.

12. Glasgow Herald and Advertiser, 31 March, 1809.

13. Ibid.

14. ML, Abstract of Minutes of Glasgow West India Association, I, 1.

could no longer rely on the enthusiasm and endeavour of the Town Council and Chamber of Commerce to do so. Merchants engaged in trade to the Caribbean had certainly met together to discuss matters of common interest before the early nineteenth century. As early as 1781 West India merchants had established a collective headquarters in Glasgow comprising a coffee house, brokers' office and sample room.<sup>15</sup> Yet it was not until 1807 that this rather ad hoc organisation became a fully institutionalised association with its own rules, subscription fees and directorate. The formation of such a body was clearly the result of a whole amalgam of factors. The ending of the British slave trade in 1807 and trading difficulties arising from the Napoleonic War would certainly be among these. Equally, however, the colonial merchants in the city realised they needed a separate pressure-group. The Chamber of Commerce and the Merchants House, representing a series of interests which traversed the spectrum of trade and industry, would not necessarily support their cause. As the first Minute Book of the Association declares, the merchants came together

bring their ... after taking into their consideration the great advantages which would result to all by their associating themselves together for the common good and the benefits which would naturally arise by their united action in all cases affecting the West Indies trade.<sup>16</sup>

Any analysis of the factors which lay behind the declining power of the colonial merchant group must lay considerable stress on the collapse of the tobacco trade after 1775. Commercial relations with the newly independent areas of North America did not cease, of course. As Table 12 indicates, although the American War and the United States's exclusion from the Navigation

15. GCA, Council Minute Book, CI/1/36/458, 17 January, 1781, Petition of Robert Mackay and Others.

16. ML, Abstract of the Minute Books of the West India Association of Glasgow, I, 1.

System had brought to an end the Clyde's European supremacy in the tobacco trade, imports and re-exports did continue, albeit on a much reduced scale:

TABLE 12

Scottish imports and re-exports of tobacco, 1775-92  
(PRO, Customs, 14)

<u>YEAR</u>	<u>IMPORTS (lbs)</u>	<u>RE-EXPORTS (lbs)</u>
1775	45,863,154	30,228,949
1783	2,259,958	1,621,418
1784	3,528,747	3,047,167
1785	9,158,971	9,055,729
1788	7,764,834	6,219,137
1787	7,829,262	7,606,604
1788	9,795,563	9,198,471
1789	11,555,225	8,444,200
1790	10,615,535	9,349,727
1791	14,417,272	461,787
1792	3,710,230	6,344,952.

From the American point of view, the Scottish trader could supply the goods and credit that were required in the 1780s. As early as June, 1783, the Glasgow press reported with some pleasure that three ships from Virginia, loaded with tobacco, had arrived in France, but, on hearing of the peace, wished to bring their cargo to Glasgow where they were assured of a higher price.<sup>17</sup>

The captain of the first American ship to arrive in the Clyde after the peace reported that 'the people in America were very glad of peace and wished much to have their trade as formerly with Great Britain.'<sup>18</sup> Captain Harris of the Glasgow owned ship Success gave the same assurances of a revived commerce between America and Britain, '... the trading people speak with certainty of Britain having the principal share of the commerce with America'.<sup>19</sup> The experience of Glasgow merchants in dealing with the needs of a plantation

17. Glasgow Mercury, 27 June, 1783.

18. Ibid., 7 August, 1783.

19. Ibid., 11 December, 1783.

economy undoubtedly served them well in the more competitive U.K. - U.S.A. trade after 1783. Seven years after independence was granted the former British colonies, a contemporary writing from Philadelphia, argued with some exaggeration that:

... there are not imported into all the United States from Europe, five thousand pounds value of manufactures but what comes from Britain: the French and the Dutch are quite drove out of the trade by the superior quality and cheapness of British articles. <sup>20</sup>

Tobacco merchants who had specialised in the trades to Virginia and Maryland before 1775 had, of course, a natural desire to return when war ended. Some saw the revival of Clyde-North America commerce as the only means to the recovery of the considerable debts owed them by planters previous to 1775. <sup>21</sup> Thus some firms which had been renowned in the tobacco trade prior to the war managed to re-establish themselves. Henderson, Gordon, Riddell and Co., James Gordon and Co. and George Kippen and Co. were still involved in trade at least until the early 1790s. <sup>22</sup> Colin Dunlop and Sons also revived links with Virginia after 1783. <sup>23</sup> Robert Findlay, of William Cunninghame and Co., and the Hopkirk family, coalesced to form Findlay, Hopkirks and Co. in 1786 to carry on trade in the export of goods to North America and the import of tobacco. <sup>24</sup>

However, the members of these firms and their successors could not by

20. Glasgow Advertiser, 8 January, 1790, Extract of a letter from Philadelphia, 10 October, 1789.

21. PRO, AO 12/9/35. See below, 201-3.

22. EUL, Mercantile Accounts, Virginia and Maryland (Microfilm of records of Glasgow tobacco firms in library of Congress, Washington), Robert Ferguson to Alexander Hamilton, 10 August, 1792; Glasgow Advertiser, 22 January, 1790; Glasgow Mercury, 19 January, 1790.

23. SRO, GD 1/572/33, James Dunlop to Messrs Gilbert Hamilton and James Lindsay, 15 June, 1798.

24. SRO, RH 15/2232, Minute of Agreement of Messrs Findlay, Hopkirks and Co.

definition be included in the list of 'colonial merchants' because after 1783 U.K. - U.S.A. commerce was not colonial trade. Only if they had been involved in the trade before American independence or had developed interests in the remaining sector of colonial commerce in the West Indies, could they be considered. For some this latter alternative was impossible. Alexander Speirs and John Glassford both died in 1783.<sup>25</sup> George Bogle died the following year.<sup>26</sup> Andrew Cochran died in 1777 aged seventy-four years.<sup>27</sup> Arthur Connell, whose interests had lain in both the tobacco and West Indies trade, fell ill and died in 1779.<sup>28</sup> His contemporary, John Crosse of Dunlops and Leveque was deceased in 1778.<sup>29</sup> Colin Dunlop, died the year before.<sup>30</sup> The Buchanans of Drumpellier and Mount Vernon,<sup>31</sup> Hugh Wylie, Lord Provost of Glasgow, in 1780-1,<sup>32</sup> William Bogle,<sup>33</sup> James Jameson,<sup>34</sup> George McCall and Archibald Smellie<sup>35</sup> had all ended their involvement in commerce through bankruptcy after the collapse of the tobacco trade in 1775-76.<sup>36</sup>

Death and bankruptcy helped to thin the ranks of Glasgow's tobacco merchants. Others successfully made the transition to the West Indies trade. Few did so during the American War itself; almost certainly they bided their time to see how the peace negotiations would develop while the difficulties

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25. GCA, Speirs Papers, TD131/13, Sederunt Book of the Trustees of A. Speirs of Elderslie, 1; Glasgow Mercury, 30 August, 1783.

26. Scots Magazine, XLVI (1784), 55.

27. The Cochran Correspondence, XI.

28. Glasgow Advertiser, 22 January, 1790.

29. Old Glasgow Exhibition, 107.

30. SL, CSP, 406/21, Petition of J. Dunlop.

31. SRO, Currie Dal. Sequis, B1/1, Buchanan, Hastie and Co. (1777).

32. GCA, Council Minute Book C1/1/37/138, 28 November, 1782.

33. GCA, Reg. of Deeds, B.10/5/9250, Conditional Discharge by William Bogle.

34. GCA, Reg. of Deeds, B.10/5/8045.

35. Ibid., B.10/5/8339, Disposition by Arch. Grahame as factor on the sequestrated estates of Messrs Smellies.

36. For a detailed discussion of the collapse of the tobacco trade and the bankruptcies that resulted from it vide infra, 230-45.

of Caribbean commerce between 1778 and 1783 acted as a disincentive to transfer during hostilities.<sup>37</sup> After 1783 the switch from one area to another was, on balance a relatively simple matter for Glasgow merchants. To a very large extent it was merely a switch of emphasis, a more forceful intervention in a trade in which they had an existing interest, albeit one over which American commerce had taken precedence.<sup>38</sup> For those with more marginal interests in the West Indies trade entry was made easier by movement into a partnership with extensive connections in the Caribbean. Thus William Cunninghame joined the copartnership of his brother-in-law's firm, Robert Dunmore and Co.<sup>39</sup> James Gordon and James Riddell acquired shares in a similar concern, Robert Mackay and Co.<sup>40</sup> James Mackenzie, trained in the counting-house of John Glassford eventually became a leading West India merchant, owning three sugar estates in Jamaica and a principal shareholder in the King Street Sugar House in Glasgow.<sup>41</sup> Others turned their interests away from colonial trade. Neil Jamieson became 'an established underwriter' at Lloyds' Coffee House in London.<sup>42</sup> Patrick Colquhoun, after the American War 'was more interested in promoting the development of trade with the continent, especially in cotton goods.'<sup>43</sup> The West Indies trade was hardly an adequate substitute for the loss of the tobacco trade. This fact is made clear from Table 13.<sup>44</sup> Certainly there are visible signs here of considerable development in Clyde-Caribbean

37. Vide infra, 262-315.

38. Vide infra, 100-2.

39. SRO, GD 247/140 (Copy) Memorial and Queries for the Trustees of the late Mr. Cunninghame, 1.

40. GCA, TDI/88.

41. Anon., View of the Merchants House of Glasgow (Glasgow, 1866), 530-33.

42. PRO, A012/56/104.

43. Gourlay, Provosts of Glasgow, 94-5.

44. PRO, Customs, 14.

commerce between 1775 and 1800. Yet the growth was by no means spectacular

TABLE 13

Scottish Imports of Sugar 1775-1800.

<u>YEAR</u>	<u>AMOUNT (Cwts)</u>
1775	80,997
1780	77,037
1785	119,627
1790	135,367
1795	105,938
1800	202,086

in a sector which had always been markedly subordinate to the tobacco trade.<sup>45</sup> Moreover the West Indies trade experienced considerable problems in the early nineteenth century and it was its difficulties in this period which very largely explains the absolute decline in merchants entering colonial trade throughout the first decade of the nineteenth century.

Throughout the 1800s the West India merchants of Glasgow were loud in their exclamations of anguish over the distressed condition of their trade. In this decade there had been a staggering accumulation of misfortunes. Perhaps the major problem was the rapidly developing imbalance between increasing supplies of sugar, cotton, rum and coffee to the United Kingdom and decreasing demand for the same products in Europe in the latter stages of the Napoleonic Wars. The conquest of Dutch and Danish islands in the West Indies after the resumption of war in 1803 immeasurably increased the supply of British Caribbean commodities while the Napoleonic Continental System considerably narrowed the areas for re-export. The situation reached crisis point in 1807-8 when the Glasgow West India Association reported on the 'unprecedented distress' to which merchants and planters were subjected.<sup>46</sup> The Select Committee of the

45. In 1774 31,090 hogsheads of tobacco were imported into the Clyde. The corresponding figure for West India sugar imports was 1,900, SR0, E.504/28/23-4; E.504/15/23-4.

46. ML, West India Association Minutes, Minute of General Meeting, 7 January, 1808.



House of Commons appointed to examine the condition of the West Indies noted that 'since the year 1799, there has taken place a progressive deterioration in the situation of the planters'. The prices obtained for the crop of 1806 did not pay the expenses of cultivation especially since the older established British colonies were at a disadvantage where productivity was concerned in relation to the less exploited foreign colonies now within the navigation system.<sup>47</sup> The inevitable costs of war - rising seamen's wages, insurance premiums and the delays of the convoy system - had further exacerbated merchants' problems. Duties on sugar had been raised from 20/- to 27/- and then to 30/- per cwt.<sup>48</sup> Glasgow West India merchants, petitioning the government in 1809 and asking for a Repeal of the Act which had sanctioned this last increase,<sup>49</sup> pointed out that -

On account of varied causes, among which one of the most prominent, is the recent capture of some of the Enemy's colonies, and the expected conquest of others, the prices of sugar have sustained a most material reduction, and fallen nearly 20/- per cwt.<sup>50</sup>

The Royal Navy's exertions in the Caribbean added to these difficulties. In 1800-1 frigates of the Navy were interrupting trade between the Spanish colonies on mainland South America and the British islands. The Navy persisted in seizing some Glasgow ships although the trade and prosperity of the City of Glasgow was partly bound up with this branch of commerce and although the trade was carried on by vessels under licence from the Governors<sup>51</sup> of the

47. PP, Report of the Committee appointed to take into consideration the Commercial State of the West Indian Colonies, III (1807), 1.

48. Ibid., 4.

49. 46 Geo III, C 42.

50. ML, West India Association Minutes, 22 April, 1809.

51. GCA, Records of Merchants House of Glasgow, Minute Book, 1790-1826, 18 May, 1801, 130; SRO, GD1/394/40, Additional Instructions to Commanders of Ships of War, 20 November, 1797.

52. ML, Council of India, India House, Minutes, 1797-1800, 1801-1802, 9.

British islands, authorised by Order in Council. The British merchant was at a disadvantage too in regard to the export of sugar to Europe. Napoleon's Continental restrictions have already been noted but there was a further factor involved here which made 'the Foreign market ... in which the British Merchant enjoyed nearly a monopoly' very 'unfavourable' in the early nineteenth century.<sup>52</sup> This was:

... the one grand and primary evil ... the facility of intercourse between the hostile colonies and Europe, under the American Neutral Flag, by means of which not only their produce is carried to market but at charges little exceeding those of peace; while the British planter is burthened with all the inconvenience, risk expence, resulting from a state of war.<sup>53</sup>

In the midst of all these difficulties the basis of British West India production was altered: when the slave trade was made illegal in 1807. This seemed to highlight even more sharply than the temporary problems of wartime commerce the fact that a revolution in the United Kingdom's relations with her West India colonies was commencing. The West India merchants of Glasgow observed 'with sorrow and regret' a 'spirit of hostility rising against the Colonial interest....'<sup>54</sup>

The picture, of course, was not wholly one of commercial disaster between 1800 and 1815. Large sugar estates, especially those producing a high quality product still prospered;<sup>55</sup> merchants could gain entry to continental

markets by circuitous routes - John Campbell Sen and Co. used Malta as a base for supplying Europe.<sup>56</sup> Others freighted neutral vessels:

It was no unusual occurrence while those measures were in force for British merchants to hire small vessels belonging

52. PP III (1807), 5.

53. Ibid.

54. Glasgow Herald and Advertiser, 3 June, 1811.

55. PP III (1807), 3.

56. ML, Campbell of Hallyards Papers, Minute Book of J. Campbell sen and Co., 1803-41, 5.

to some of the Hanse towns and bring them to this Country where they were laden with cargoes of British and Colonial produce, and to sail for the Elbe and other adjacent ports under a special Order in Council from our Government having been previously furnished with false clearances, as if the vessels were only trading between one Continental Port and another .... There were several shipments of this nature from Glasgow. 57

The Government aided sugar importers by prohibiting the distillation of spirits from grain so that by 1810 the Glasgow merchant group could report that 'the principal consumption of sugar for some time past has been in distilleries'. 58

Yet even with these reservations it is obvious that Clyde-Caribbean commerce in the early nineteenth century was less likely to attract as many recruits as before. For merchants' sons the risks were great and the returns both in the long and short term doubtful; for some the profession of arms had more appeal than daily contact with vicissitudes of wartime commerce. 59

So far particular emphasis has been put on factors intrinsic to colonial trade in an explanation of the declining numbers of the colonial merchant community in the early nineteenth century. Yet there were two elements at work outside this sector which still further reduced the influence of colonial merchants in the economic, social and political affairs of the city of Glasgow in this period. For one thing other groups within the area were moving up-

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57. ML, West India Association Minutes, Minute of General Meeting, 7 January 1808.

58. Ibid., Petition of the West India Planters, Merchants and Others of the City of Glasgow to the King's Most Excellent Majesty, 19 December, 1810.

59. Vide supra, 101-3. Established West India firms in the 1810s were clearly considering the development of other sectors of commerce as a result of their problems. Of the ten top subscriptions to the East India Committee of Glasgow 'for opening a free trade to India' in 1812, one was from the Chamber of Commerce, two from leading cotton manufacturers in the city and the remaining seven from West India firms including John Campbell sen and Co., Stirling, Gordon and Co., Dennistoun, Buchanan and Co. See ML, Minute Book of Glasgow East India Committee, 1812-13, 48-9.

wards to challenge their supremacy. The Glasgow Courier, after an analysis of the population of Glasgow between 1712 and 1815, commented in 1791 how 'we have become a manufacturing instead of a mercantile town'.<sup>60</sup> The tobacco 'lords' had few competitors before the late eighteenth century. From then the expansion of the cotton, iron and coal industries encouraged the emergence of a new breed able to achieve the same levels of wealth and social prestige as the specialist in colonial trade. Kirkman Finlay was the head of a cotton spinning organisation whose capital stock reached £65,000 in 1800.<sup>61</sup> Among the yarn dealers in Glasgow at the time David Dale (1739-1806) was pre-eminent. At New Lanark, Catrine, Newton Stewart and Spinningdale his investment in the Scottish cotton-spinning industry was considerable.<sup>62</sup> William Dunn (1770-1849) left a fortune of £500,000 gained as a result of his success in the cotton-trade.<sup>63</sup> The Dixon family were making a considerable name for themselves in the coal and glass industries in the early nineteenth century.<sup>64</sup> George Mackintosh and Henry Monteith were great names in printing and textile-finishing.<sup>65</sup>

Glasgow was a much greater and more complicated organism in 1800 than it had been in 1770. Single groups representing a specific interest would have much less opportunity to dominate a city of 77,385 persons - total population in 1801 - than a town of 28,300 - total population in 1763.<sup>66</sup> Building

60. Glasgow Courier, 8 September, 1791.

61. James Finlay and Co. Ltd., Finlay MSS, State of the Concerns of J. Finlay and Co., 1800.

62. Stewart, op. cit., 46-54; SR0, GD64/1/247, Memorandum on the Estate of the late David Dale ... 1816.

63. DNB, I, 213; Joseph Irving, The History of Dunbartonshire (Dumbarton, 1857), 483.

64. P.L. Payne 'The Govan Collieries, 1804-1805, Business History, III (1961); SR0, Adams Mack Misc. 22, Balance Book of Dumbarton Glasswork Co., 1804-15.

65. Stewart, op. cit., 65-92; Mitchell, op. cit., 65.

66. Transactions of the Glasgow and Clydesdale Stat. Soc, I; Population of Glasgow 1755-1831; 7; GCA, Council Minute Book, CL/1/40/174, 9 August, 1792.

had gone on apace since the end of the American War. In 1788 the Glasgow Mercury pointed out how the erection of new buildings, the laying out of new streets and the construction of many 'genteel houses' all 'marked the opulence of the place.'<sup>67</sup> Even in the 1790s when construction in England slackened,<sup>68</sup> the barony of Gorbals was being feued and new public buildings such as the New Assembly Room and the Tron Church were finished.<sup>69</sup> In December, 1799 the Scots Magazine reported that there were 'no less than 150 building in the city and suburbs of Glasgow, and a number nearly equal has, we are told been built annually during the last ten years'.<sup>70</sup> The Palladian mansions of the tobacco aristocracy and West Indian merchant princes, although still significant were no longer completely unique in the city. H. G. Graham's comments on late eighteenth century Glasgow society, if perhaps somewhat exaggerated, contained more than a grain of truth -

Fortunes were not to be found in a small set, but were diffused widely; the old exclusiveness of society disappeared and time-honoured distinctions and purse-proud prejudices passed away that had severed home manufacturers and tradesmen and foreign merchants into distinct ranks.<sup>71</sup>

The final clue in the explanation of the declining importance of Glasgow colonial merchants in the early nineteenth century is to be found in the developing functional specialisation in industry and trade in this period. One of the essential bases of the colonial merchant's supremacy before this had been the fact that he almost alone had the wealth and motivation required to perform a series of functions necessary for the domestic industry, internal

67. Glasgow Mercury, 19 May, 1788. For this boom see J.R. Kellett, Property Speculators and the Building of Glasgow, 1783-1830, SJPE VIII (1961) and Hamilton, Economic History, 20-21.

68. H.A. Shannon, 'Brick - A Trade Index 1785-1849', Economica, new ser. ser. I (1934), 301.

69. Hamilton, op. cit., 20-21.

70. Scots Magazine, LXI, (1799), 856.

71. Graham, op. cit., 144; ibid., 1810.

trade and external commerce of early and mid eighteenth century Glasgow. He was alike underwriter, banker, provider of industrial capital and builder.

At the beginning of our period the norm in marine insurance seems to have been that ad hoc bodies of merchants arranged to subscribe specific sums to cover the valuation of cargo and ship. Thus twenty-four merchants subscribed a total of £4,600 to the policy of the Friends bound for the Caribbean via Dublin from Greenock in 1779. Individual shares ranged from £400 to £50.<sup>72</sup>

Dennistoun, Buchanan and Co. took out an insurance on the Brilliant, Clyde to New Providence; £1,400 for the hull and £2,400 for 'the materials'. Again the sum was divided among several merchants.<sup>73</sup> An alternative was to have the sum insured at London to whose underwriters Glasgow merchants were increasingly turning for insurance cover throughout the eighteenth century.<sup>74</sup> How-

ever, in the 1780s and 1790s it is possible to detect the emergence of specialised insurance companies, although the more informal arrangements doubtless persisted for some time. Thus, Campbell and Ingram, insurance brokers, became one of the largest of these new agencies.<sup>75</sup> Brown, Russell and Co., Hamilton and Brown, and George McCall and Co. were all specialists in insurance.<sup>76</sup> The early nineteenth century saw the establishment of the North British Insurance Office, with a Board of Directors comprising Henry Monteath, Alexander Campbell, Robert Findlay, William Harley, Robert Smith and John Wood.<sup>77</sup>

72. SRO, GD241/1, Insurance Notes, 1779. There are numerous other examples of similar policies in this collection.

73. SRO, UP Innes Durie 8/1, Dennistoun, Buchanan and Co. versus Lillie etc.

74. A.H. John, 'The London Assurance Company and the Marine Insurance Market in the Eighteenth Century', Economica, new ser., XXV (1958), 127; PP, Report from the Select Committee on Marine Insurance IV (1810), 47.

75. Jones's Directory for 1788, 22; SRO, UP Inglis 5/4/22, Speirs, Murdoch and Co., versus Campbell, Ingram and Co. (1784), 2.

76. Jones's Directory for 1788, 36, 44; GCA, Smith of Jordanhill Papers, Journal of Archibald Smith, 1.

77. Glasgow Courier, 16 March, 1816.

The credit needs of the tobacco and West Indies trades and the necessity to pay large customs payments on imported colonial commodities led to the establishment of the Glasgow Arms and Ship Banks by Glasgow tobacco merchants in the 1750s.<sup>78</sup> In 1761 the establishment of the Thistle Banking Company further added to their domination of the city's banking facilities.<sup>79</sup> In the 1770s and 1780s, however, the founding of the Glasgow Merchant Banking Co. (1777), with only one colonial merchant among twenty-eight partners and Moores, Carrick and Co., with only one among seven, meant that their monopoly was coming to an end.<sup>80</sup>

We have already noted how much of the building developments in Glasgow in the 1760s and 1770s had been due to the exertions of the colonial merchant group.<sup>81</sup> In the construction boom of the 1780s and '90s specialised building companies usurped the role of such individualistic endeavour. It was such an organisation, formed by Dugald Bannatyne, stocking manufacturer, which was responsible for the greater part of Brunswick Street, Hutcheson Street, John Street and George Square.<sup>82</sup> William Harley and Co., who developed Blythswood Square and the area around it, and Jack, Paterson and Co. were other examples of this type of firm.<sup>83</sup>

Glasgow colonial capital had also dominated the various manufacturing concerns of the eighteenth century town - sugar houses, tanneries, glass-houses, breweries.<sup>84</sup> Anything which demanded more than a minimal amount of

78. John Buchanan, Banking in Glasgow during the Olden Time (Glasgow, 1884), passim.

79. GCA, Reg. of Deeds, B.10/5/8314, Bond by Maxwell, Ritchie and Co.

80. Ibid., B.10/5/7904; for a detailed consideration of merchants and banking vide infra,

81. Vide supra, 69-70.

82. This 'Glasgow Building Company' expended no less than £120,000 in the ten years ending 1790, Kellett, loc. cit., 218.

83. Senex., op. cit., III, 320-21.

84. Vide infra, 321-38.

fixed capital usually required their assistance. Again the latter part of our period witnessed both an absolute and a proportionate decline in merchant involvement in industry.<sup>85</sup> The capital structures of various industrial units formerly dominated by such men, were slowly coming under the control of industrial entrepreneurs. Thus the Dalnottar Iron Co. was taken over in 1813 from the Dennistoun family by William Dunn, successful cotton manufacturer.<sup>86</sup> William Dixon became the prime mover in the Govan Coal Company after the bankruptcies of James Dunlop and Andrew Houston.<sup>87</sup> Alexander Houston of Clerkington's share in the Dumbarton Glasswork Company standing at two-thirds in 1800 was by 1815 less than one-third.<sup>88</sup> The Dixon family, the entrepreneurial group who had actually run the concern while the merchant interest was content with a sleeping partnership, had by that date emerged with full control.

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85. Vide infra, 407.

86. GCA, Reg. of Deeds, B.10/5/10244, Bond by Dennistouns and Maclachlans.

87. Payne, loc. cit.

88. SR0, Adams Mack, Misc. 22, Balance Book of Dumbarton Glasswork Co., 1804-15; UPI Currie Mack D/5/14.



**PART I**

**Glasgow Merchants in Colonial Trade, 1770-1815**

**CHAPTER 3**

**Trading Methods and Organisation of  
Glasgow Tobacco Merchants, 1770-76**

- (I) Specialisation in the Colonial Trades**
- (II) Trading Methods and Organisation in the Tobacco Trade**

There was a relatively high degree of specialisation in Glasgow's colonial commerce during the period under consideration. It seems clear that the great majority of the colonial merchant group had their interests concentrated either in the West Indies trade or in the North American tobacco trade; it was rare to come across an individual whose holdings were so involved in each of these sectors that the bias of his interests was undiscernible. This reflects a major change in the characteristics of the Scottish merchant community. The researches of Professors Lythe and Smout on the structure of sixteenth and seventeenth merchant groups in various Scottish burghs, including Glasgow, have suggested that the typical overseas merchant undertook a whole miscellany of varied tasks and involved himself to a greater or less extent in a series of different trades.<sup>1</sup> Undoubtedly the degree of specialisation found among Glasgow's colonial traders at the time was a reflection of Adam Smith's well-known proposition that specialisation does increase with the extent of the market: the tobacco and sugar trades were so substantial by the 1770s that they encouraged this. However it is perhaps more important here to evaluate the evidence on which this theory of specialisation among Glasgow merchants is based.

An effort was made to trace the partnership connections of those merchants who had shares in the thirty-five companies stated by the Collector of Customs for Port Glasgow and Greenock to be tobacco importers in the years 1775-76.<sup>2</sup> A fair degree of success was achieved in this exercise.

1. Lythe, op. cit., 125-6; Smout, op. cit., 88;

2. SRO, CE60/1/9. See Appendix V/C for these firms.

Twenty-eight partnerships were found and examined.<sup>3</sup> Their membership was then compared with those firms which specialised in the Caribbean trade - Alexander Houston and Co., Connell, Somervell and Co., Robert Dunmore and Co., Robert Mackay and Co., Francis Garden and Co., and John Campbell sen and Co. - in order to discover whether persons involved in the tobacco-importing concerns were also connected with West India companies. The results of this comparison were interesting. There were about seventy merchants involved in the thirty-five tobacco firms of 1775-6.<sup>4</sup> Of these, fifteen had shares in West India firms or in companies such as Patrick Colquhoun and Co. or McCall, Riddell and Co. whose trading interests tended to straddle both sectors of commerce.<sup>5</sup>

This calculation was not intended to produce precise results; the fact that firms changed their title and altered their personnel, at least in some respects, with some regularity, meant that figures could only be approximate. Moreover, the collapse of the tobacco trade in 1775 resulted in persons who had formerly specialised in it gradually shifting their interests to the West Indies trade during, but especially after, the American War of Independence.<sup>6</sup> However, although the calculation was by its very nature rather rough, its general conclusion seems indisputable; those merchants who had interests in the two sectors of colonial commerce in the last years of the tobacco trade were very much in a minority. A closer analysis of the fifteen merchants who had shares in both tobacco and sugar-importing firms suggests that their

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3. See Appendix III for these.

4. See Appendix I for the individuals concerned and Appendix V/C for some of the partnerships.

5. GCA, Speirs Papers, TD131/19, Sederunt Book No. 54 of Messrs. P. Colquhoun and Sons. Partners were Patrick Colquhoun, Alex. Speirs, Joseph Scott, William Carmichael and Alexander Ritchie.

6. Vide infra, 251-8. can be established for persons' factories indicator. Vide infra, 59-61

interest was heavily biased either to one sector or the other. Thus John Campbell sen, of the famous West India company, John Campbell sen and Co., and a majority shareholder in it, held the least number of shares in the tobacco firm of John Glassford and Co.<sup>7</sup> Alexander Houston owned eight of the forty-two shares in the Maryland firm of Cunninghame, Findlay and Co. but his primary investment was in the great West India concern of Alexander Houston and Co.<sup>8</sup> On the other hand, William Cunninghame was the majority shareholder in William Cunninghame and Co., Cunninghame Findlay and Co., and Cunninghame, Brown and Co., but had a secondary interest in Robert Dummore and Co., West India merchants.<sup>9</sup> Dummore himself was one of the three leading shareholders in Dummore, Blackburn and Co., Virginia merchants, and, according to Glasgow hagiographical tradition was a 'Virginia Merchant'. In reality, however, the bulk of his investment in colonial trade was concentrated in Robert Dummore and Co. and Richard Marshall and Co., both engaged mainly in the West India trade.<sup>10</sup>

It is possible to suggest a tentative correlation between the wealth of an individual merchant and the diversity of his trading interests.<sup>11</sup> Those who had interests in both sectors of colonial trade were persons who had the funds and the contacts to penetrate more than one partnership. Alexander Houston, Robert Dummore, William Cunninghame, John Campbell sen., Arthur

7. ML, Campbell of Hallyards Papers, Renewal of Contract among the partners of John Campbell sen and Co. (1790); PRO, A012/9/37.

8. PRO, A012/56/305.

9. PRO, A012/56/305; SRO, GD247/140 (Copy) Memorial and Queries for the trustees of the late Mr. Cunninghame of Lainshaw, 1.

10. SRO, Reg. of Deeds, 251/704 MACK; Stewart, *op. cit.*, 202-3; SRO, GD237/151/3, State of Mr. Dummore's subjects; SRO, Reg. of Deeds, 240/1/600 DAL. Prof. Campbell also describes Dummore as a 'Virginia Merchant'; see Campbell, *op. cit.*, 46.

11. A similar pattern can be established for merchant investment in industry. Vide infra, 586-93.

Connell, James Somervell and James Hopkirk can be counted among this group.<sup>12</sup> This was yet another factor giving the heads of the large firm or interlocked partnership a competitive edge over their rivals. Investment in both sectors meant a spreading of risk and an increased ability to accommodate one's interests to changes in trading prospects or political conditions. For example, a share held by a tobacco merchant in a West India firm would be of particular value in 1775-76 when normal trading relations with Virginia and Maryland ended and the Caribbean slowly evolved as one of the alternative outlets for North American tobacco.<sup>13</sup>

Of course, some companies, although for the most part biased towards a particular sector, might become temporarily involved for a few voyages in another. Thus when the collapse of the tobacco trade put vessels engaged in that sector out of employment, Speirs, French and Co. sent one of their tobacco ships to the Caribbean -

... their factor found the ship could not be employed any way to advantage except to send her to Honduras to load logwood and mahogany and sent by her such goods as were proper to purchase said cargo.<sup>14</sup>

During the American War several tobacco firms, such as the Speirs group, William Cunninghame and Co. and Colin Dunlop and Sons experimented with trade to the West Indies.<sup>15</sup> Companies which specialised in the importation of sugar from the Caribbean to the Clyde also occasionally found it necessary to venture into North American waters. Marshall, Hamilton and Co. fitted out the Ceres for a voyage to Newfoundland. Once there it was proposed to take in a cargo

12. See Appendix I for the partnership interests of these merchants.

13. Vide infra, 251-8.

14. SR0, CE60/1/9, Collector, Port Glasgow, to H.M.s Board of Customs, 23 November, 1776.

15. SR0, Customs Accounts, Greenock, E.504/15/29-37; Customs Accounts, Port Glasgow, E.504/28/28-38. See Appendix IV/e - i and below, 252-4.

of fish, which was to be disposed of at Barbados.<sup>16</sup> Alexander Houston and Co. wrote Captain Alex. Mackinlay in New York in 1777 to purchase 'a good ship of about 400 hogsheads sugar burden'. This was to be used for the company's main trading interest: it was emphasised that the vessel should 'steer easily' and be in 'every way adapted to the West Indies trade'. However, the opportunity was to be taken to load tobacco if 'the neighbouring colonies [i.e. Virginia and Maryland] may be subdued or have submitted'.<sup>17</sup>

One example was also found among the correspondence of this firm of a triangular voyage, encompassing the Clyde, the Caribbean and North American ports. William Dickson, 'late of Virginia' was appointed supercargo in July 1776 on one of the company's ships bound for Barbados. He was allowed to apply the proceeds of the sale of the cargo of herring to purchase rum and sugar and then sail for North America to 'the British colonies that you may have been informed have submitted to the legislature and are become good loyal subjects of the British Crown'. If he were to go to Virginia or Maryland 'we imagine there will be no difficulty in getting a freight of tobacco, naval stores or grain'. All proceeds were to be remitted to Houstons in 'good Bills of Exchange'.<sup>18</sup>

16. SL, CSP 181/16, Information for John Burnes and Others ... 15 April, 1786, 1.

17. NLS, MS8793, Letterbook E of A. Houston and Co., Houstons to Capt. A. Mackinlay, 4 April, 1777.

18. Ibid., A. Houston and Co. to William Dickson, 18 July, 1776.

## II

The system by which Glasgow merchants shipped tobacco from North America to the Clyde evolved slowly from the 1740s from a rather simple barter-type relationship to one which reflected a highly sophisticated and efficient form of commercial organisation. In the early eighteenth century, it had been normal practice for vessels to be chartered by a merchant firm, a supercargo appointed, whose duty it was to exchange merchandise for tobacco, the vessel dispatched to the colonies and ordered to return as soon as the homeward cargo had been completed.<sup>1</sup> Even the semi-barter relationship concealed how primitive the level of commercial organisation often was. Commonly no supercargo was appointed, the function of salesman and mariner being vested in the ship's captain.<sup>2</sup> Again the use of the word 'firm' to describe the merchant groups which operated this trade gives an exaggerated impression of their performance and sophistication.<sup>3</sup> Each venture appears to have been financed and organised separately by a few merchants who might well close their accounts after one or two voyages.<sup>3</sup>

One important element had however already become established in the Clyde-land market. Glasgow merchants acquired the commodity by direct purchase or semi-barter from the planter. There is little evidence that they involved themselves in any important way in the consignment system by which title to the tobacco was retained by the American consigner who also bore the risks and expenses of transportation. The consignee supervised the cargo, saw to its insurance, warehousing and sale and

operated this system (ed.), John Gordon and James Gordon, *Merchants of London and Virginia* (London, 1877), Gibson, *op. cit.*, 206; Stewart, *op. cit.*, 5.

2. Notes by Mr. Dugald Dannatyne, quoted in Stewart, *op. cit.*, 5, nl.  
3. G. A. T. Voke, 'Accounting Methods of Colonial Merchants in Virginia', *Journal of Accountancy*, XLII (1926), 5; Saltow, *loc. cit.*, 85.

for his labours received a commission based on the sale price of the crop. This method seems to have been prevalent in the London - North America tobacco trade throughout the eighteenth century.<sup>4</sup> This bias towards the supply of goods and the direct acquisition of tobacco was probably one factor encouraging Glasgow merchants to establish more permanent contact with planters in Virginia, Maryland and North Carolina. It was in their interest, much more so than in that of the specialist in consignment, to make sure that vessels, when they arrived in the colonies, would have a freight more or less guaranteed and that customers could be expected for the imported merchandise. Such merchants bore all the risks of the trade: the determination to minimise these risks probably affords one explanation of the appearance of the 'store system' which, by the early 1770s, the period selected for special study, was the most prevalent form of commercial intercourse between the tobacco producers of North America and the merchants of Glasgow.

An interesting description of the operation of this system was given by a representative of Speirs, French and Co., one of the leading tobacco firms in Glasgow in the 1770s:

Goods are purchased in this country which are fit for the Maryland market; and being sent out there are lodged in the different stores belonging to the Company, which are situated in different parts of the country. Over each of these stores is appointed a factor, whose business it is to receive the goods to purchase tobacco from the planters in Maryland and to give in payment of the price of the tobacco, such goods or the effects of the Company, as the factor may have in his hands... the planters from whom the tobacco is purchased, know well these terms upon which their purchase is made; that in general their tobacco is to be paid from the Company's effects in the country....<sup>5</sup>

4. For an example of one concern which operated this system see F.U. Mason (ed.), John Norton and Sons: Merchants of London and Virginia (Richmond, 1937).

5. SL, CSP, 190/13, The Petition of Messrs. Speirs, French and Co., Merchants in Glasgow, 21 Jan., 1780, 1-2.



Alexander Cunninghame and Co. also presented the role of the store and the exchange of imported articles within it for tobacco as the central features of Glasgow's trade with the North American colonies in the early 1770s:

The general practice there (i.e. in Virginia) is for the factors to receive tobacco in discharge of debts due to the stores and to allow the current prices for the same, which shall be fixed thereafter. This is called the market price, the same as the fiars in Scotland. <sup>6</sup>

During the 1760s this semi-barter system became increasingly complex and so a more detailed discussion of the 'store system' will thus be undertaken at a later point in the thesis. <sup>7</sup> Before this, however, emphasis will be put on those factors which encouraged the evolution of this unique method of coping with the needs of colonial planter-customers.

One of these was undoubtedly the expansion of tobacco-growing away from the tidewater areas of Virginia into the Piedmont region of that state.

London merchants who controlled the trade in the former territory were reluctant to pursue vigorously the business in this new area. <sup>8</sup> This allowed Scots traders to develop their 'store system' there. Such a form of organisation was well suited to a region where there were problems of tobacco marketing. Ocean-going ships were unable to navigate above the fall line, where planters exploiting new areas would require plantation equipment before their land reached the stage of production and where the less wealthy planters with their unique needs for external credit tended to congregate. It was the facility with which the stores could collect crops from widely scattered plantations in this virgin territory, and thus solve the planters' marketing problem, which

of his agents in the new territory in the hope

6. SL, CSP.162/23, Information for Elizabeth and Barbara Cunninghame ... 8 February, 1775, 7.

7. Vide infra, 135-44.

8. Saltow, loc. cit., 84; N.C. Gray, History of Agriculture in the Southern United States to 1860 (Washington, 1933), I, Ch. 18, passim.

helps to explain the 'store system's' popularity with the city tobacco merchants. When the Cunninghame group of companies applied for compensation from His Majesty's Government for loss incurred during the American War of Independence they revealed that they had accounts with over a thousand tobacco planters in North America.<sup>9</sup> The store system alone could handle the diverse demands of this heterogeneous multitude of small customers.

The storekeeper was expected to be attentive to the individual needs of his many customers and no labour was spared to ensure that consumers' tastes were well catered for. Only the resident storekeeper, a member of what was often an isolated community, could hope to have the detailed knowledge of customer preferences which was required. Thus John Turner, a Scottish storekeeper at Farquhar Court House, was chastised by his superintending factor for ordering goods in too vague a fashion:

... in future when you are making out a scheme you must be more particular than in the one sent this year... It must be divided into general heads such as Linnen, Woollens, Hatts and Sadlery, under each of these the quality and price of the most minute article must be precisely specify'd.<sup>10</sup>

Such men could use personal contact to develop customer ties. James Robinson counselled a new storekeeper in 1768 to 'try by every method to cultivate the affection and esteem of the people and to gain their confidence by being pointed and exact in fulfilling Every Engagement you come under to them.'<sup>11</sup> Further, the planter's perennial need for credit could best be satisfied by the store system. The storekeeper operating at the local level

could satisfy himself about the credit-worthiness of an individual, the extent of his needs and keep a check that he did not flee the territory in the hope

9. PRO, A012/56/285.

10. SRO, GD245/58/0, James Robinson to John Turner, 22 April, 1769.

11. Ibid., Robinson to Bennet Price, 4 October, 1768.

of avoiding repayment. Debts, as they developed, tended to be many in number but individually small in amount. John Glassford, in evidence to a Government committee in the late 1760s, pointed out how although there were 'very considerable debts owing to merchants of Glasgow' from North America and that in his own estimate they totalled £500,000, 'the great part of debts were under £30 sterling'.<sup>12</sup> Such complexity encouraged local superintendence of merchant interests.

It was the avowed policy of Glasgow firms to extend advances and credit to planters in order to attract custom,<sup>13</sup> but such a policy demanded the close supervision which could be carried out by resident storekeepers. These were enjoined to give large advances only to those whom they knew to be 'good men' and who were likely to be able to afford repayment.<sup>14</sup> In order that new storekeepers might know their customers they were allowed a period under the direction of the retiring storekeeper who could instruct them in the personal idiosyncracies, likes and dislikes of the local planters. Bennet Price left the service of William Cunninghame and Co in 1768; his replacement served with him, however, for the last few weeks of his appointment and Price was 'to settle his books', introduce the new man to the customers and generally instruct him on their personal backgrounds.<sup>15</sup>

The role of the 'store system' in extending credit to small planters explains the predominance of Virginian-grown tobacco in Glasgow's imports. This, however, is not to overlook the very strong ties between Maryland, and

12. IM, Add. Ms 33030/31.

13. Vide infra, 107.

14. SRO, GD247/59/S, William Cunninghame to John Turner, 18 July, 1774; SRO, GD247/58/0, James Robinson to Andrew Chalmer, 31 May, 1771; SL, CSP190/13, Extract of a letter from the Petitioners to George Sheiriff, 26 March, 1770.

15. SRO, GD247/58/0, James Robinson to Bennet Price, 11 September, 1768.

to a lesser degree North Carolina, with the Clyde. <sup>16</sup> Messrs. McCall, Elliot and Co. were in business in both Virginia and North Carolina with two stores in each. <sup>16</sup> The great Glassford group of companies had nine stores in Maryland. <sup>17</sup> William Cunninghame and Co. held seven - half the total investment in Maryland. <sup>18</sup> Alexander Speir's major concern, Speirs French and Co., appears to have been primarily interested in trade to this colony. <sup>19</sup> The Customs Accounts for 1774 reveal that certain firms, such as George Oswald and Co., imported the vast bulk of their cargoes from Maryland. <sup>20</sup> Yet such details pale beside the total importation from Virginia in relation to Maryland. In the year 1774 out of the grand total of 31,090 hogsheads imported into the Clyde, Maryland contributed 4,826; North Carolina's share was a mere 488 hogsheads. <sup>21</sup> When a meeting of Glasgow merchants estimated the extent of debt due them in North America in 1778 they concluded that Virginia was indebted to the tune of £719,038, Maryland £155,810 and North Carolina £29,924 sterling. <sup>22</sup> Thus the Clyde - North America tobacco trade was a predominantly Virginian affair. It was in the 'new' tobacco-producing areas of the Potomac and James Rivers and the Rappahanock valley of this state that the smaller planter who was the Glasgow stores' main customers were to be found. <sup>23</sup>

Once the evolution towards a store system had begun few firms could afford

16. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc., registered 21 December, 1778.

17. PRO, AO 12/9/35.

18. PRO, AO 12/56/292-301; SR0, GD247/59/S, General Inventory of Shares and other personal estates belonging to W. Cunninghame and Co. at their different establishments in the year 1777.

19. GCA, Speirs Papers, TD131/4, Ledger B, 1773-80.

20. SR0, Collector's Quarterly Accounts. Port Glasgow. Jan. 1774 - Oct., 1774, E.504/28/28.

21. Ibid., E.504/28/23-4; E.504/15/23-4.

22. GCA, Speirs Papers, TD131/10-12/1, Diary of Alexander Speirs, entries for April, 1781.

23. Price, loc. cit., 310.

not to become involved in its extension. The natural force of competition demanded that companies should develop their network of stores as funds allowed. One company determined to set up a new store at Culpepper Courthouse; apart from the fact that such an establishment would be in 'good tobacco Country' the 'more immediate motive for fixing the store was to be a check on Mr. Lawson's transactions in his store on the little fork of Rappahanock and to prevent any other company occupying the situation at the Courthouse...'<sup>24</sup> Yet two other factors stimulated Glasgow movement into the Piedmont area of Virginia and into the store system in that region. The first of these was the nature of the crop grown there and the other involved the crucial part played by the store system in cutting the costs of trade between the Clyde and North America.

Perhaps the most important customers for tobacco imported by Glasgow firms were the Farmers General of the French Customs. It is a well-known fact to students of Scottish economic history that the Clyde's tobacco commerce was fundamentally an entrepot trade, the vast proportion of the annual importation being subsequently re-exported. In 1772 for instance 45,259,673 lbs. were shipped into Scotland and no less than 44,400,900 lbs. were re-exported.<sup>25</sup> Although, as Appendix (V/a) reveals, Dutch and Irish demand for the commodity was not much less than that of the French, it was the advance mass sales to one major customer in France acting through one agent in Scotland which provided the basis for the bill of exchange network in the trade. On the French side the Government granted the monopoly of the sale of tobacco to the Farmers

27. See also the account of the Glasgow tobacco trade in the 'Glasgow Journal' of 1771.

24. SRO, GD247/158/0, James Robinson to William Cunningham, 8 October, 1771.

25. Hamilton, Economic History, Appendix IX; this figure is for Scotland at large but as Professor Jacob Price has put it, 'For all practical purposes, Glasgow was Scotland as far as the tobacco trade was concerned.' Price, loc. cit., 301.

General; their agents in Scotland were for many years Messrs. William Alexander and Sons, merchants in Edinburgh.<sup>26</sup> By the early 1770s the chief French contractor was William Herries, a partner in the Edinburgh banking house of Sir William Forbes and Co.<sup>27</sup>

Extant details on some of the major tobacco firms show that the prices likely to be paid by this representative of the French Farmers General formed the basis for their calculations on profit potential for a particular year.

William Cunninghame and Co. were in some unease in November, 1772, when the French by Messrs Herries and Co. came to market...very unexpectedly.

Because of the expected rise in the price of tobacco in the spring as a result of this move, the Venus and the Ocean were to be dispatched in February to the Chesapeake and 'may be push'd out with a cash purchase'.<sup>28</sup> In 1769 the same

firm expressed concern whether the French 'had come to market' before the account of a storm in Virginia in that year had reached the United Kingdom.

If their information from America did not indicate the shortfall on the crop 'we can hardly expect their spring price to be more than 2½'; an additional farthing might be added to the price per lb if news of the storm had been circulated.<sup>29</sup> A careful examination of the correspondence of Cunninghame

and Co. shows that primary attention was always paid to the behaviour of French prices.<sup>30</sup> Similarly Messrs John Glassford and Co. tended to develop their activities in accordance with the pattern of the French market.<sup>31</sup>

the high level of freight rates

26. Gourlay, *op. cit.*, 17.

27. Sir W. Forbes of Pitsligo, Memoirs of a Banking House (London and Edinburgh, 1860), 27-28.

28. SRO, GD247/58/0, James Robinson to William Henderson, 11 March, 1772.

29. Ibid., James Robinson to William Henderson, 14 November, 1769.

30. See, for example, ibid., Robinson to David Walker, 11 July, 1770; Robinson to W. Cunninghame and Co., 22 August, 1772; SRO, GD247/59/S, W. Cunninghame to John Turner, 18 July, 1774.

31. SRO, GD247/59/0/2, W. Cunninghame to Robert Dunmore, 2 July, 1778.

Colin Dunlop and Sons and Messrs. A. and W. Hamilton seem to have operated in a similar fashion.<sup>32</sup>

The purpose of the above illustrations is to indicate the importance of French demand for some of the major Glasgow tobacco houses. The importance of this demand encouraged firms to penetrate the areas of Virginia above the tidewater to whose needs the 'store system' was particularly adapted. The French preferred the cheaper tobacco to be found in these new territories.<sup>33</sup> In instructions issued to new storekeepers, the Cunninghame group of companies specifically emphasised that purchase ought to be biased towards such grades of tobacco which were 'fit for the French manufactory':<sup>34</sup> Rappahanock and Potomack tobacco 'generally will only answer the French market.'

There was a final factor which explains the popularity of the store system as against any other form of commercial relationship between Glasgow merchants and North American tobacco planters in the later eighteenth century. Through its operation an important part of the costs of trade could be drastically cut. After the purchase of tobacco, the principal cost to the merchant was freight rates. In the early 1770s tobacco purchase prices varied between 1d. and 1½d per lb, variety being produced by changes in European demand, the type of tobacco being acquired and the level of the crop in a particular year.<sup>35</sup> Professor Jacob Price has calculated that freight was commonly about a halfpenny per pound in peacetime for vessels operating in the Clyde - Chesapeake trade.<sup>36</sup> Given the high level of freight rates -

32. SRO, GD247/141, Cunninghame to James Robinson, 13 August, 1774.

33. J.M. Price, 'The Economic Growth of the Chesapeake and the European Market', Journ. of Econ. Hist., XXIV (1964), 509.

34. SRO, GD247/158/0, James Robinson to W. Cunninghame and Co., 22 August, 1772; Robinson to Thomas Gordon, 23 August, 1770.

35. GCA, Speirs Papers, TD131/4, Ledger B, 1773-1780; SRO, RH15/1184, Letter-book of Jamieson, Semple, Lawson and Co., 1770-74, passim.

36. Price, loc. cit., (1954), 306.

at times working out about 50 per cent of the prime cost of tobacco - any system which could cut the length of voyages, and thus freight rates, would be advantageous. British seamen in colonial ports continued to be paid throughout a vessel's stay<sup>37</sup> and so the less time spent by a ship in North America the better.

The 'store system' was peculiarly adapted to facilitating speedy departure of ships fully laden with tobacco cargoes. Storekeepers, by their knowledge of the productive capacity of the plantations belonging to their customers, by their ability to collect together at one point crops from different producers and by the fact that planters were 'bound' to an individual store by their credit and equipment needs, were able to gauge roughly how much of the commodity they would be able to offer the parent house in Glasgow. Chief storekeepers were specifically enjoined in contracts of copartnery to correlate the incoming information from the stores and transmit a proposed shipping plan to Glasgow.<sup>38</sup> Thus James Robinson, superintending factor for Cunninghames calculated in October, 1772 that a gross total of 5,250 hogsheads might be exported from the firm's fourteen stores in Virginia in the following year. 1,970 hogsheads could be procured from their establishments in the Rappahanock valley, 1,300 from Potomack and 1,900 from the James River stores. Robinson then drew up a shipping plan, based on these aggregates (Table 14).

A similar operation was carried out in November, 1773, when the crop for 1774 was expected to be 210 hogsheads short of the total burden of the Cunninghame fleet (Table 15).

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37. Davis, op. cit., 116.  
38. GCA, B.10/5/8123, Bond of Copartnership between Messrs. John McCall etc., registered 21 December, 1778; GCA, Dunlop Papers, Additional Observations for James Dougal ... 6; PRO, A012/56/285.  
... signed to W. Cunningham and Co., 9 November, 1774.



TABLE 14

W. Cunninghame and Co's. Shipping Estimates for 1773.<sup>39</sup>

	<u>SHIPS</u>		<u>RIVERS</u>		
			<u>RAPP.</u>	<u>POTOMACK</u>	<u>JAMES</u>
<u>Cochrane</u> via Havre de Grace arrive December.			-	-	460 hogsheads
<u>Janett</u> via France arrive December			-	390	-
<u>Cunninghame</u> straight out arrive December			500 hogsheads	-	-
<u>Neptune</u> , with goods, arrive April			-	-	460 hogsheads
<u>Venus</u> " " " "			-	450	-
<u>Ocean</u> , from London, " "			560	-	-
<u>Cochrane</u> , with goods, " June			460	-	-
<u>Cunninghame</u> " " " "			-	-	500
<u>Neptune</u> " " " September			-	400	-
<u>Venus</u> " " " "			450	-	-
<u>Ocean</u> " " " "			-	-	560

TABLE 15

W. Cunninghame and Co's. Shipping Estimates for 1774.<sup>40</sup>

<u>SHIP</u>	<u>MONTH OF ARRIVAL</u>	<u>AMOUNT</u>
<u>Janet</u>	September	350 hogsheads
<u>Ocean</u>	October	600 "
<u>Cunninghame</u>	November	500 "
<u>Venus</u>	March	480 "
<u>Neptune</u>	"	470 "
<u>Cochrane</u>	"	450 "
<u>Ocean</u>	June	600 "
<u>Cunninghame</u>	"	500 "
<u>Venus</u>	September	480 "
<u>Neptune</u>	"	480 "
<u>Cochrane</u>	"	450 "

39. SR0, GD247/158/0, J. Robinson to William Cunninghame and Co., 18 October, 1772.

40. Ibid., James Robinson to W. Cunninghame and Co., 9 November, 1773.

Ibid., Robinson to W. Cunninghame and Co., 22 April, 1774.

Every effort was made to keep to these estimates. If the superintending factor had underestimated a future year's crop or if the European market encouraged further imports, the excellent intelligence between parent house, chief factor and local storekeeper could often adjust to the new exigency. Factors commonly communicated with their principals twice in any one year.<sup>41</sup> Prognostications on a future crop in late autumn could be scaled upwards or downwards in a subsequent examination in time for the arrival of those ships due in the late summer of the following year. Thus Robinson in April 1773 noted that 'the second ships' for each river could not expect an immediate cargo and 'must lie a considerable time for the collections'. He therefore suggested that they should be sent 'somewhere to protract the time of their arrival here'. Specifically he suggested that one of them could call at Liverpool for salt 'which we are much in want of at Rappahanock'.<sup>42</sup> Vessels which arrived in North America in the spring could carry details back to Glasgow of the number of vessels required in the late summer.<sup>43</sup> Moreover a brisk market in Europe might encourage higher importations than were first suggested in the original plan of operations. Cunninghames chartered the Argyll to cope with just this situation in 1769; she was due to arrive in September of that year and John Turner, keeper of the company's Farquar store was ordered to 'endeavour to secure as soon as possible tobacco which will promote her despatch'.<sup>44</sup>

The 'store system' thus allowed Glasgow ships to spend a minimum period in port loading their cargoes. Since fair winds allowed vessels to make

41. SL, CSP 162/3/2. to W. Cunninghame and Co., 22 November, 1773.

42. SRO, GD247/158/0, Robinson to W. Cunninghame, 27 April, 1773.

43. Ibid. GD247/158/0, James Robinson to William Cunninghame and Co.,

44. Ibid., Robinson to John Turner, 22 April, 1769.

45. Ibid., 1 June, 1773.

the voyage from the Clyde to North America in 32 days, maximum utilisation of capacity was possible.<sup>45</sup> In 1773 three of the six ships belonging to William Cunninghame and Co. were to make double voyages to Virginia; a similar situation obtained in 1774.<sup>46</sup> Thus the cut in transport costs was also a cut in capital costs, equal to a very marked gain in productivity. This can be clearly seen in the case of the Cochrane, which delivered tobacco to Havre de Grace in France in the late summer of 1772. Immediately thereafter she sailed for the James River in Virginia where she was due to load 460 hogsheads of tobacco. After delivering this cargo in the Clyde, she was to return to the Rappahanock valley in June of 1773, with a cargo of goods for the stores, and there load a further 460 hogsheads.<sup>47</sup>

Of course, the method had its drawbacks. The need to offer a sizeable freight to vessels on arrival often meant that storekeepers had to bid up the price of tobacco, offer cash or delay the departure of ships until planters had agreed to prices which were more satisfactory to the merchant. In 1772 the influence of poor climatic conditions resulted in a much smaller tobacco crop than had been expected. The advantage quickly moved in favour of the planters: 'the Merchants who have a great succession of shipping being glad to get the tobacco in their hands at almost any terms'.

Furthermore -

Such is the overdone situation of the trade on every river in this colony that little tobacco can be bought without paying a great part money to the Planter .... So great is the demand for tobacco all over the Colony arising from the number of ships employed on the trade that the planter has been able to establish his own terms and to procure what part money he chuses.<sup>48</sup>

45. Ibid., Robinson to W. Cunninghame and Co., 29 November, 1772.

46. Vide supra, Tables 14 and 15.

47. SRO, GD247/158/0, James Robinson to William Cunninghame and Co., 18 October, 1772.

48. Ibid., 1 June, 1772.

In 1773 some planters refused to sell at 'a particular price', entered into an association, 'lodged their tobaccos in certain persons hands and ... determined not to sell unless they can procure 18/- currency'.<sup>49</sup> It was little wonder, then, that one of the most closely guarded secrets in the tobacco colonies was the estimated time of arrival of vessels in particular areas. Mercantile correspondence persistently stressed the advantages which could accrue from developing a friendly relationship with planters.<sup>50</sup> However, absolute secrecy was to be maintained as to when a ship was expected

... as when the Planters find a merchant pressing for tobacco and know he has a ship in the country it is generally difficult to procure their tobacco as they endeavour to enhance the value.<sup>51</sup>

Yet even given these difficulties Glasgow merchants had complete faith in the store system. Its role in deflating shipping costs and cutting turnaround times - which were recognised by contemporaries as being crucially important<sup>52</sup> - encouraged its use rather than that of other systems. It was known for vessels to wait for a month before obtaining a complete freight even within the opportunities afforded by the store system for speedy loading.<sup>53</sup> Yet the norm seems to have been a stay of two to three weeks.<sup>54</sup> The saving involved was obvious to all.

The Glasgow tobacco trade in the early 1770s was organised in companies whose members were bound by specific articles of association. The respective

49. Ibid., 17 June, 1773.

50. Vide infra, 138.

51. SRO, GD247/58/0, James Robinson to John Turner, 25 October, 1768.

52. [Georges-Marie Dutel-Dumont], Histoire et Commerce des Colonies Anglaises (London, 1755), 260-65, cited in Price, loc. cit.: (1954), 307.

53. SRO, GD247/58/0, Robinson to William Cunninghame and Co., 24 September, 1773.

54. Ibid., Robinson Correspondence, 1767-74, passim; SL, CSP 190/13/2.

importance of the various firms in the trade and the interlocked nature of many of them has already been noted.<sup>55</sup> Here it is intended to examine the internal nature of the companies themselves as a prelude to a detailed survey of their trading methods in Virginia, Maryland and North Carolina. What impresses one immediately about these concerns is the individual size of their partnerships. Full details were obtained of the number of partners in twenty-four of the thirty-five tobacco firms importing into the Clyde in 1775-6.<sup>56</sup> Table 16 presents the findings of this survey in abstract. Fifteen of the twenty-four firms had more than four partners. Of this total, there were no less than nine partners in two firms; three companies had eight partners and two had seven. The minimum number of individuals in one copartnership was three but such was found to be the case only with Colin Dunlop and Sons, George Oswald and Co., and Cunninghame, Brown and Co. Some explanation of the extended partnerships is required because a comparison with London, Glasgow's greatest competitor in the tobacco trade in the early 1770s reveals that the Glasgow structure was quite different. In the early 1770s, tobacco commission houses usually consisted of individuals acting alone or in partnerships of two, or at the most three.<sup>57</sup>

One factor responsible for the Glasgow pattern was the operation of the store system itself. Such a degree of responsibility was placed on a firm's chief storekeepers in America that it was only prudent to encourage their initiative, stimulate diligence and promote loyalty by offering them a share in the partnership. Thus nine of the forty-two shares in Findlay, Hopkirks and Co., a concern with nine partners, were set aside for the firm's

55. Vide supra, 28-31.

56. For number of firms see SRO, Collector, Greenock and Port Glasgow to H.M. Board of Customs, CE60/1/9.

57. Price, loc. cit., (1954), 309.

TABLE 16Number of Partners in Glasgow tobacco firms, 1775-6

<u>FIRM</u>	<u>No. OF PARTNERS</u>	<u>SOURCE</u>
Henderson McCall	9	SRO, CE60/1/10
W. Cunninghame	9	PRO, AO 12/56/292-305
Glassford, Gordon	8	<u>Glasgow Mercury, 19 Jan., 1790</u>
Speirs, French	8	PRO, A012/9/53
James Jamieson	8	GCA, Reg. of Deeds, B.10/5/9593
John Glassford and Co.	7	PRO, A012/9/37
Thomson, Snodgrass	7	GCA, Probative Writs, B.10/12/4
Speirs, Dowman	6	GCA, Speirs Papers, TD131/7, Ledger, 1785-88, 45
Cunninghame, Findlay	6	PRO, A012/56/292-305
Buchanan, Hastie	6	GCA, Probative Writs, B.10/12/4
George Kippen	5	<u>Glasgow Advertiser, 22 Jan., 1790</u>
P. Colquhoun	5	GCA, Speirs Papers, TD131/19, Sederunt 54 of P. Colquhoun and Co.
James Brown	5	PRO, A012/9/59-61
Baird, Hay	5	GCA, Journal of Baird, Hay and Co.
McCall, Elliot	4	GCA, Reg. of Deeds, B.10/5/8123
Arch. Henderson	4	<u>Glasgow Mercury, 19 Jan., 1790.</u>
Bogle, Jamieson	4	GCA, Reg. of Deeds, B.10/5/8045.
George McCall	4	GCA, Probative Writs, B.10/12/9.
McCall, Smellie	4	<u>Glasgow Courier, 19 April, 1794.</u>
T. and A. Donald	4	<u>Glasgow Herald, 14 June, 1811</u>
Thomas Donald	4	<u>Glasgow Herald, 7 Feb., 1812</u>
Cunninghame, Brown	3	PRO, A012/56/292-305.
Colin Dunlop	3	GCA, Probative Writs, B.10/12/7/349.
George Oswald	3	SRO, CE 60/1/8.

representatives in America. Matthew Blair 'merchant in Potomack' and John

Campbell 'merchant at Blandensburg' received  $\frac{5}{42}$  and  $\frac{4}{42}$  shares respect-

ively.<sup>58</sup> John Craig and David Walker were two partners in Alexander Cunn-  
 ingham and Co who resided in America, where they had the most considerable  
 stores under their management and likewise the superintending of the other

factors.<sup>59</sup> When the Contract of Copartnership of William Cunninghame and  
 Co. was signed, twenty-four of the 140 shares were left unassigned; the  
 original partners would have the power to utilize these to introduce the  
 superintending factor in Virginia and two of his main storekeepers into the

firm.<sup>60</sup> Thus, in subsequent years, James Robinson, William Beid and Will-  
 iam Henderson were so assumed, holding five, three and three shares respect-

ively.<sup>61</sup> Again, three of the eight partners in Speirs, French and Co.<sup>62</sup>

were resident storekeepers in Maryland.<sup>62</sup>

So necessary was the involvement of a firm's chief colonial representat-  
 ives in the partnership that special provisions were often made to enable  
 them to acquire shares, even although they might lack the financial resources  
 to purchase them. Thus Henry Mitchell, superintendent of the affairs of  
 George McCall and Co., although nominally holding a one-fifth share in the  
 firm, was unable to pay up the total subscription within the prescribed  
 time limit. He was to be allowed an extension -

yet his acceptance of one fifth share in this concern being  
 made on a paper a part shall have the same effect as if he had  
 subscribed this contract and thereby he, his heirs and executors  
 shall be bound to all the articles and terms of this contract as  
 well as the Other Partners.<sup>63</sup>

The two Virginia representatives of Findlay, Hopkirks and Co. were advanced

58. SRO, RH15/2232, Contract of Copartnership of Messrs. Findlay, Hop-  
 kirks and Co.

59. SL, CSP 162/23. Information for Elizabeth and Barbara Cunninghame ...  
 36.

60. SRO, Reg. of Deeds, 309/2/58 DUR, Contract of Copartnership among the  
 partners of W. Cunninghame and Co. Glasgow.

61. PRO, A012/56/292.

62. PRO, A012/9/53; SL, CSP 190/13, Petition of Messrs Speirs, French and Co.,  
 2.

63. GCA, Probative Writs, B.10/12/9, Contract of George McCall and Co.

their whole stock in the company by their fellow partners. They were simply instructed 'to diminish their debt to the Company as quickly as in their power'.<sup>64</sup>

However, an explanation which sees the reason for extended partnerships solely in terms of the need to generate loyalty of overseas representatives to the parent firm would be wholly inadequate. Even after omitting the names of such men from partnership lists the investigator is still left with an array of atypically large units. A further factor, then, would perhaps be the high capital demands of the tobacco trade itself. The pooling of resources by several rich merchants would directly help a firm to gain prosperity both through their personal contributions to the capital stock and at the same time through their credit worthiness enable the concern to attract loans. A representative for Alexander Cunninghame and Co. thought that for the store system to function adequately partners would have to have credit at the store for at least four years, 'or, in other words, supposing the value of a hogshead of tobacco to be only £6 sterling there must be at least £25 of stock sunk in Maryland for every hogshead imported, if it was purchased for goods in the store way'. Thus the 2,200 hogsheads purchased by the firm in 1771 'in the store way' required about £55,000 to be sunk in Maryland.<sup>65</sup>

It was deemed necessary to consider the outlay of loans to planters if new customers were to be obtained. William Cunninghame and Co's superintending factor in Virginia outlined company policy in regard to credit extended to new customers:

If a man be good it is not material although he cannot promise you anything next year, by selling goods to such men

70. GCA, Dunlop Papers, Additional Observations for James Dougal ... 7.

64. SR0, RH15/2232, Contract of Copartnership of Findlay, Hopkirks and Co.

65. GCA, Dunlop Papers, Additional Observations for James Dougal ... 7.



you no doubt increase your debts but at the same time you will extend your influence, and lay a sure foundation for a larger purchase hereafter and indeed there seems to be no doing any business of consequence without sinking a large sum. <sup>66</sup>

Given the financial demands made on a tobacco firm it is no coincidence that it is possible to plot a rough correlation between number of partners and importance of a company as measured by its annual tobacco importation. <sup>67</sup>

Four of the five firms who had the largest number of partners (8-9), belonged to either the Speirs, Cunninghame or Glassford groups. <sup>68</sup> The large-scale nature of the operations of these companies could only be sustained by an extended partnership consisting of wealthy men. The Glassford group operated stores throughout Maryland and Virginia, owning nine in the latter state. <sup>69</sup>

Cunninghames had seven stores in Maryland and no less than fourteen in Virginia. <sup>70</sup> Such huge organisations demanded uniquely high inputs of capital.

Buchanan, Hastie and Co. determined on an original stock of £10,500; <sup>71</sup> McCall,

Elliot and Co did likewise. <sup>72</sup> George McCall and Co. demanded a subscription

of £5,000 from its four partners. <sup>73</sup> Findlay, Hopkirks and Co's capital

stock totalled £8,400. <sup>74</sup> Such sums fade somewhat when compared with the

total subscriptions to William Cunninghame and Co. and Cunninghame, Findlay

and Co. The capital stock of the first was £20,000 and that of the second

66. SR0, GD247/58/0, James Robinson to Bennet Price, 7 October, 1767.

67. Vide supra p. 119, Table 16.

68. Henderson, McCall and Co (9); Glassford, Gordon and Co. (8) - Glassford group; W. Cunninghame and Co. (9) - Cunninghame group; Speirs, French and Co. (8) - Speirs group.

69. - Gourlay, *op. cit.*, 29; PRO A012/9/35.

70. PRO, A012/56/288; SR0, GD247/59/8; General Inventory of Daves and other personal estates belonging to W. Cunninghame and Co.

71. GCA, Probative Writs, B.10/12/4, Contract of Copartnery of Duchanan, Hastie and Co.

72. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership between Messrs John McCall etc.

73. GCA, Probative Writs, B.10/12/9.

74. SR0, RH 15/2232, Contract of Findlay, Hopkirks and Co.

£15,000.<sup>75</sup>

It can also be said that the popularity of extended partnerships among Glasgow merchants engaged in the tobacco trade may also be explained by the need to spread risks. The habit of placing one's funds in individually small lots throughout a diversity of concerns had been common in Scottish commercial practice since mediaeval times.<sup>76</sup> In the eighteenth century tobacco trade, the articles of association of firms put a ceiling on risk and tended to encourage merchants towards a policy of diversification. Thus, instead of a large number of concerns with one or two partners there evolved a smaller number of firms with a series of partners contributing individually small amounts. Table 17 shows the breakdown of shares in a typical partnership, that of Findlay, Hopkirks and Co:

TABLE 17.

Shares in Findlay, Hopkirks and Co.<sup>77</sup>

<u>PARTNER</u>	<u>SHARE</u>
George Buchanan	5/42
Andrew Buchanan jun.	6/42
James Hopkirk	6/42
Thomas Hopkirk	4/42
Robert Findlay	6/42
J. Bannatyne	2/42
John Dunlop	4/42
Matthew Blair	5/42
John Campbell	4/42

Total Capital = £8,400.

Contracts of copartnership could cut risk in several ways. Specific

limits were often put on the amount that could be borrowed from external

75. SR0, Reg. of Deeds, 309/2/58 DUR, Contract of Copartnership among the partners of W. Cunninghame and Co., Glasgow; SL, CSP 162/23, Information for Elizabeth and Barbara Cunninghame . . . 1.

76. Lythe, op. cit., 126-27.

77. SR0, MH.15/2232, Contract of Findlay, Hopkirks and Co.

sources by the managing partner.<sup>78</sup> When partners subscribed to a particular copartnership their share became part of the common stock. Thus in the case of McCall, Elliot and Co. -

for a further security to the several partners in their private dealings and engagements with each other, they the said partners do hereby assign dispose and convey their proper stock and interest in this Concern to and in favour of each other ...<sup>79</sup>

The stock was to remain company property 'ay' and till the private and particular debts due or that may be due by one partner to another be paid off and ay and until the bonds and other securities wherein they are or may be engaged with and for each other be also paid off...<sup>80</sup> Normally, partners were only allowed a return of five per cent interest on their shares, and as in the case of George McCall and Co. -

None of the partners shall be allowed to withdraw any part of his stock or profits except the dividend mentioned ... until the whole money borrowed and other debts due by the Company shall be first paid and cleared off.<sup>81</sup>

Again there was strict control over the fate of individual shares on the decease of a partner. Precautions were taken against the entry of an unwelcome member into the firm. Occasionally, of course, established partners could make specific recommendations for their succession. Thus when Andrew Cochrane died, the members of William Cunninghame and Co. were required to accept James Brown jun. in his place.<sup>82</sup> Robert Taylor saw to it that his son John 'shall succeed immediately' on his death to his one-fifth share in

78. GCA, Probative Writs, B.10/12/9, Contract of George McCall and Co.

79. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc.

80. Ibid. Similar regulations were made for Buchanan, Hastie and Co. (GCA, Probative Writs, B.10/12/4), Alexander Cunninghame and Co. (SL, CSP 162/23), William Cunninghame and Co. (SRO, 309/2/58 DUR.).

81. GCA, Probative Writs, B.10/12/9.

82. SRO, Reg. of Deeds, 309/2/58 DUR.

George McCall and Co.<sup>83</sup> For the most part, however, the former situation obtained. If a partner wished to withdraw his share, he was usually required to make the first offer of it to his fellow partners and 'that at a price not exceeding the seller's share or proportion of the Company's stock'.<sup>84</sup> In the contract of Findlay, Hopkirks and Co. the remaining partners, if they agreed to accept the share, were to be allowed to pay for it over a three year period in annual installments.<sup>85</sup> McCall, Elliot and Co. stipulated that if the remaining partners were not willing to pay the price of the share, the retiring partner could offer it to another outside the existing copartnership, but an additional member would only be allowed to take up the share if '... the Company or those having the major interest as aforesaid shall by a writing, under their hands declare themselves satisfied...'.<sup>86</sup> The articles of association of these firms could also alleviate the risk to other members of the copartnership if one of their fellows became insolvent. In each of the contracts examined, an important clause was that which stated that on the bankruptcy of an individual partner his stock in the concern would fall, not to his creditors, but to the solvent partners to do with as other articles in the contract specified. In the contract of Findlay, Hopkirks and Co, an insolvent partner's share would first be utilised to make good his debts to the firm; only then would the claims of external creditors be satisfied over a period of eighteen months when the 'unfortunate partner's' share would be paid to his trustee at three six-monthly intervals.<sup>87</sup> McCall, Elliot and Co. allowed themselves an even longer interval for payment, 'in

83. GCA, Probative Writs, B.10/12/9.

84. SRO, RH15/2232.

85. Ibid.

86. GCA, Reg. of Deeds, B.10/5/8123.

87. SRO, RH15/2232. See also SL, CSP, 162/23/2 and GCA Probative Writs, B.10/12/9.

two equal moieties at eighteen and twenty four months' after the bankrupt's debts to the Company had been repaid.<sup>88</sup> In addition, the insolvent partner's own share in the debts owed by the whole company were to be liquidated before his creditors were satisfied:

before such payments can be demanded from the surviving partners the insolvent partner's share of the whole debts following by the Company shall be fully satisfied and paid.<sup>89</sup>

The same regulations operated in the case of a deceased partner.

Considerable stress has been laid in the last few pages on extended partnerships in the Clyde - North America tobacco trade and some attempt has been made to explain their popularity. The predominance of large firms, shipping a sizeable proportion of the Clyde's total tobacco import has also been noted.<sup>90</sup> Clearly, this also requires some explanation. Half of the thirty-five tobacco firms operating in 1775 handled about four-fifths of the total<sup>91</sup> importation. Throughout the eighteenth century there had been a steady process of amalgamation and the growth of large companies. In the four years from 1728 to 1732,<sup>92</sup> 91 persons or firms entered tobacco for importation at Port Glasgow or Greenock;<sup>93</sup> between 1773-5 when the total import had increased by something of the order of 100 per cent over the levels of the early 1730s,<sup>94</sup> the number of firms was fluctuating between 32-36.<sup>94</sup> In other words, despite a two-thirds reduction in the number of firms compared with the late 1720s, ten times the amount of tobacco was handled.

88. GCA, Reg. of Deeds, B.10/5/8123.

89. Ibid.

90. Vide supra, 27-30.

91. SRO, Collector's Quarterly Accounts, Greenock and Port Glasgow, 1775, E.504/15/25-6; E.504/28/24-6. To the Collector, 14 November, 1775. See also SRO, Collector's Quarterly Accounts, Greenock and Port Glasgow, 1776, E.504/15/25-6; E.504/28/24-6. To the Collector, 2 July, 1776.

92. Price, loc. cit., (1954), 308.

93. Hamilton, Economic History, Appendix XI.

94. SRO, Collector's Quarterly Accounts, Greenock and Port Glasgow, 1773-5, E.504/28/22-26; E.504/15/22-6.

Large concerns had several advantages over their smaller competitors. For one thing, a few major houses were better organised to fulfil the very large contracts and bulk purchases which such customers as the French Farmer General required. Although there was an important bargaining element in the relationship between such houses and the French agent in Scotland,<sup>95</sup> the latter would not be likely to tolerate a miscellany of tortuous negotiations with a whole series of small units each offering a few hogsheads of tobacco. Moreover, in the colonies, the large companies were fearsome competitors. Smaller firms could not afford the extension of credit which was so essential to attract custom. William Cunninghame and Co. established a new store at Rockyridge in Virginia under the direction of John Turner. He was given permission to allow planters to draw bills on the house and to give them advances. This would enable him to meet and effectively defeat the efforts of the smaller dealers in the surrounding region. As Turner's superintending factor put it in a letter to him, 'such advances will assist towards enabling you not only to retain the former customers, but also to engross the whole business'.<sup>96</sup>

In 1767 another Cunninghame storekeeper, one Bennet Price, was in competition with a Glasgow firm composed of Robert Lawson and William Bogle in partnership. Cunninghames saw the inevitability of victory over these two because of the larger firm's superior resources.

I believe there is no other concerned [i.e. in Lawson and Bogle] if so... as their capital will not afford it, consequently his customers who want large sums of money advanced to them at times for to

95. SRO, GD247/141, W. Cunninghame to James Robinson, 13 August, 1774; SRO, GD247/58/0, James Robinson to W. Henderson, 14 November, 1769; SRO GD247/59/0/2, W. Cunninghame to Robert Dunmore, 2 July, 1778.

96. SRO, GD247/58/0, James Robinson to John Turner, 25 October, 1768.

purchase negroes etc. will be obliged to leave him and this concern [i.e. Cunninghame and Co.] is as able to answer their purpose in that respect. 97

Finally, apart from being less able to extend the required credit to planter-customers, small companies did not have the financial resources to withstand the successive crises to which the tobacco trade was subject. The depression of 1772 and the bankruptcies which followed the collapse of the tobacco trade in 1775-6 both indicated that smaller units were much more vulnerable in this respect than their greater rivals. 98

The actual day-to-day running of firms in the tobacco trade was the responsibility of only a minority of the partners in any one company. One member of the copartnership would act as managing partner, resident in Glasgow with the assistance of clerks who would not normally be shareholders in the firm. The managing partner gave his name to the company and most often held the single largest amount of shares. Thus, to take two examples from a multitude, Alexander Cunninghame was the sole acting partner in A. Cunninghame and Co, owning 12 of the 60 shares; the next biggest shareholder held 10. 99 Alexander Speirs managed the interests of Speirs, French and Co. in Britain and held an interest of  $\frac{54}{162}$  shares in the firm. 100 On the other hand, such control was not universal. In McCall, Elliot and Co, for example, each of the four members, including the managing partner, John McCall, held an equal 25 per cent share of the stock. 101 The managing partner

was assisted equally by the other partners. 101

97. Ibid., Robinson to Bennet Price, 7 October, 1767.

98. For the bankruptcies of small concerns in 1776-8 vide infra, 243-44 and for 1772, ML, Bogle MSS, Bundle 12, George Bogle to George Bogle sen., 13 November, 1772; NLS, Charles Steuart Letterbooks, MS 6404, James Steuart to Charles Steuart, 23 July, 1772.

99. GCA, Dunlop Papers, Additional Observations for James Dougal ... 6; SL CSP 162/23, Information for Elizabeth and Barbara Cunninghame ... 1.

100. GCA, Speirs Papers, TD131/4, Ledger B, 25.

101. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc.

partner of Buchanan, Hastie and Co., William Buchanan, was in a much more inferior position. When the first contract was signed in May, 1763, he was assigned £750 of the capital stock while five others, Andrew Buchanan, Robert Hastie, James Jamieson, James Buchanan and Neil Buchanan, had stock worth £2,000, £2,000, £1,500, £1,500 and £1,000 respectively.<sup>102</sup> Apparently the other partners felt that William's financial interest was not enough to remind him of the onerous responsibility he had to his fellow partners. They thus introduced a unique clause into the contract to ensure that he did his duty: he was to carry out the tasks of manager and book-keeper of the concern and obey the orders of his fellow partners under the penalty of £1,000 sterling in case of transgressions or disobedience....<sup>103</sup> Another variant in the position of the managing partner was to be found in the larger firms. There, it was often necessary to appoint two such men, the one supervising operations in North America and the other in the United Kingdom. In this way Robert Findlay and William Cunninghame were appointed 'joint-managers' of Cunninghame, Findlay and Co.,<sup>104</sup> and Henry Riddell was 'the acting partner in the concern of Glassford and Co residing in Maryland.'<sup>105</sup>

Although, as will be seen below, the role of the other partners in a company was by no means passive, it would be true to say that the managing partner was the central figure in the organisation. A contemporary view of his function gives some idea of their importance. The managing partner - was trusted implicitly by the other partners. By him

102. GCA, Probative Writs, B.10/12/4, Contract of Buchanan, Hastie and Co.

103. Ibid.

104. SRO, GD247/58/P/1, Minute of meeting of the partners of Cunninghame, Findlay and Co., 29 January, 1773.

105. PRO, A012/9/37.



the agents and factors abroad were chosen; by his advice factors were assumed as partners, by him the ships were purchased and freighted; goods sent out to a great amount, tobaccos ordered to fill those ships; stores established in different places; and every transaction of the Company directed; the factors abroad acting under him, taking their general orders from him and doing of themselves only those things which fall within the ordinary province of a factor.<sup>106</sup>

This central figure, while normally 'charged with the managing the Company's affairs in Britain'<sup>107</sup> also intervened directly in the sphere of the super-intending factor and his storekeeper in the colonies. Although chief factors there made out a proposed plan of shipment for the year's crop the final decision on whether it should be implemented or adjusted lay with the managing partner in Glasgow.<sup>108</sup> Orders from storekeepers for goods were carefully examined by the latter and reduced where necessary. Thus William Cunninghame chastised one of his storekeepers in 1774 for making out his scheme of goods -

Without the least thought or consideration: such quantities of some goods being ordered by you as we are very sensible would have served your sales for several years; you will accordingly find we have cut from  $\frac{1}{2}$  to  $\frac{5}{6}$  parts of many things, being very sensible the small part comply'd with will be more than sufficient for your sales.<sup>109</sup>

The managing partner, since he was in contact with the general financial situation in the U.K. and the market prospects in Europe, also constructed the company's credit and purchasing strategy.<sup>110</sup> To him fell the task of obtaining loans and, as was stated in all copartnership agreements, 'all moneys borrowed by him shall be binding upon all members of the Company';<sup>111</sup> or, to

106. GCA, Dunlop Papers, Additional Observations for James Dougal ... 6.  
107. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc.  
108. SRO, GD247/58/0, James Robinson to William Henderson, 3 March, 1770.  
109. SRO, GD247/59/5, W. Cunninghame to John Turner, 18 July, 1774.  
110. SRO, GD247/58/0, James Robinson to John Neilson, 19 August, 1772.  
111. SRO, RH15/2232, Contract of Findlay, Hopkirks and Co.

vary the language but retain the theme, 'such bonds ... shall be equally binding upon the Company and the whole Copartners their heirs and successors as if subscribed by all the parties'.<sup>112</sup>

In addition to his holding in the capital stock of the company, the managing partner was allowed a fairly nominal salary and the assistance of clerks in the Glasgow counting-house. John McCall received a mere £60 per annum from McCall, Elliot and Co.<sup>113</sup> Andrew Thomson was allotted £70 by Thomson, Snodgrass and Co;<sup>114</sup> Robert Findlay, the managing partner of Findlay, Hopkirks and Co. obtained £100 per annum.<sup>115</sup> Office, fittings and heat were also provided by the firm. Thus William Cunninghame was granted an unstipulated sum 'to furnish the said William Cunninghame an office with coal and candles and such clerks as shall be found necessary'.<sup>116</sup>

The other important member of a Glasgow tobacco company was the chief storekeeper or resident factor in Virginia, Maryland or North Carolina. As has been noted, these were usually full partners in the firm but their shares formed a minimal proportion of the whole. Like the managing partner they were also salaried employees of the company in addition to being partners: for instance, Allan Love, the resident factor of McCall, Elliot and Co. received the same salary as the managing partner, John McCall.<sup>117</sup> Co-partnership regulations paid close attention to the task of precisely enumerating the duties of these men. As in the West Indies trade<sup>118</sup> it was to

112. GCA, Reg. of Deeds, B.10/5/8123.

113. Ibid.

114. GCA, Probative Writs, B.10/12/4, Contract of Copartnery of Thomson, Snodgrass and Co.

115. SR, SRO, RH15/2232.

116. SRO, GD247/58/P/1, Minutes of meeting of the partners of Cunninghame, Findlay and Co., 29 January, 1773.

117. GCA, Reg. of Deeds, B.10/5/8123.

118. Vide infra, 151-4.

them, in the last resort, that the company looked to carry out general strategy formulated in the Glasgow office. Thus, although Matthew Blair and John Campbell, the chief storekeepers of Findlay, Hopkirks and Co., were full partners in the firm they were required 'to be wholly under the direction of partners resident in the United Kingdom and be in every respect under the same controul as if they had no share in the concern'.<sup>119</sup> Such representatives were always 'subject to the orders and directions of the Partners at home,'<sup>120</sup> and were specifically directed 'to give their whole time and attention' to the company's affairs abroad, not being allowed to engage in any other form of commercial activity.<sup>121</sup> The distance between Glasgow and the colonies naturally made the implementation of such regulations difficult. At least, two examples of resident factors engaging on business on their own account have been found. Neil Jamieson, who supervised the Glassford stores in Virginia, engaged in an extensive trade to the West Indies and southern Europe; William Cunninghame, who in the late 1750s was resident factor for Cochrane, Murdoch and Co. at Falmouth, Virginia, started a business of supplying provisions to British troops stationed in Pittsburg.<sup>122</sup> Indeed, in the practical world the factor had to be allowed some discretion if he was to fulfil his remit of acting in the best interests of the company. He would have to modify the general directions of the Glasgow partners in relation to tobacco purchases if the crop did not come up to

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119. SR0, RH15/2232.

120. SR0, Reg. of Deeds, B.10/5/8123.

121. *Ibid.*; GCA, Probative Writs B.10/12/9; SR0, Reg. of Deeds, 309/2/58 DUR; SR0, RH15/2232.

122. Saltow, *loc. cit.*, 86; SR0, GD247/140, Answers for William Cunninghame, late of Falmouth ... 1.

expectations.<sup>123</sup> Further, it was his duty to advise the managing partner of likely candidates for promotion to storekeeper; only he had the close knowledge of the available talent among a firm's assistants in the colonies.<sup>124</sup> Storekeepers would ask his advice on the degree of credit to be advanced to a particular planter, although it is plain that the local storekeeper often took the initiative. Thus James Robinson, superintending factor for Cunninghames, had written to James Gordon, prohibiting him from using cash to purchase tobacco. Before the letter arrived, however, Gordon had 'used money' to acquire tobacco from a planter, Captain Munford. Yet Robinson later had cause for congratulating Gordon: through his initiative the firm had obtained Munford as a permanent customer, and he appears very sensible of the favour: his crop of tobacco is of considerable quantity being from 60-100 hogsheads, and as good in quality as any inspected or approved.<sup>125</sup>

Stores were sometimes separated from one another by hundreds of miles and rapid decisions had often to be made to counter the endeavours of competing firms. Some concerns specifically stated that 'the power of drawing bills ... is intrusted only to the principal factor'<sup>126</sup> yet others obviously saw the merits of allowing storekeepers some responsibility in this regard.<sup>127</sup> Factors were also the chief agents in the annual book-balancing of the tobacco companies. The fiscal year in the tobacco trade began on September 1 when storekeepers were 'to shut the old and begin a new sett of Books.'<sup>128</sup>

123.

123. SR0, GD247/158/0, J. Robinson to W. Cunninghame, 5 August, 1772.

124. Ibid., 20 February, 1773.

125. Ibid., 7 May, 1772.

126. SL, CSP 190/13, The Petition of Messrs. Speirs, French and Co ... 15.

127. SR0, GD247/58/0, James Robinson to Bennet Price, 30 November, 1767.

128. Voke, loc. cit., 2; Saltow, loc. cit., 88.

The resident factor in the last few months of a year collated the accounts from the different stores and drew up an abstract of the debts and effects in the colonies 'valued by rules established by the partners'; this was then transmitted to the partners in Glasgow who met in February-March to settle the accounts for the year<sup>129</sup> In order to ascertain a realistic estimate of the company's position, factors were advised to make a distinction between good debts and bad or dubious ones.<sup>130</sup> Some firms exerted extreme caution on the subject of debts lest they fell into the unfortunate position of overestimating their known assets. McCall, Elliot and Co. directed their chief factor, Allan Love, to make a deduction of 12½ per cent from the list of good debts, from the list of dubious debts, a deduction of ten shillings in the pound and the list of bad debts was not to be included in the annual valuation at all.<sup>131</sup>

One of the reasons behind such annual stocktaking, apart from the obvious necessity of keeping up to date with the financial operations of the company, was to enable the shares of deceased partners to be withdrawn with the minimum confusion. The shares of partners who died were always valued at the figure of the previous balance. As a contemporary put it, this was:

an essential part of contracts of copartnery in Glasgow since it must be agreeable to the partners to have matters settled on such a footing, that, in case of their death, their children may know precisely what they are entitled to receive, without being involved in questions of compt and reckoning or any dispute whatever with the surviving partners.<sup>132</sup>

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129. SL, CSP 162/23/4-5.

130. See, for example, GCA Probative Writs, B.10/12/9, Contract of George McCall and Co. '... there shall always be made a distinction of what bad or dubious debts may be according to the best of our factors judgement'.

131. GCA, Reg. of Deeds, B.10/5/8123, Bond of Copartnership betwixt Messrs John McCall etc.

132. SL, CSP 162/23/2.

The major function of the remaining partners in a tobacco firm was to supply funds to the capital stock. Yet the partners in general always met and conferred whenever an important strategic decision was required in the company's affairs. No alteration in shares could be made without their consent. In the case of any disagreement among the partners, each share counted as one vote and the majority decision was final. Although partnerships had fixed limits of time on their duration - usually varying between four and seven years - a majority of votes could dissolve the firm at any point during this period. To the partnership as a whole also fell the power to raise or diminish a company's capital stock.<sup>133</sup> Finally some contracts contained a clause encouraging members of a copartnership, other than the managing partner, to take a bigger share in the running of the company's affairs. Thus Article I of the contract of George McCall and Co. enjoined the other partners 'to give their help and assistance always when needful'.<sup>134</sup>

The employees of a Glasgow tobacco firm who actually dealt with the American planters were the storekeepers. The extant correspondence between the chief factor of William Cunninghame and Co in Virginia and the firm's storekeepers in that colony allows a detailed reconstruction of their activities.<sup>135</sup> As far as can be determined from the available evidence storekeepers were normally young Scots.<sup>136</sup> Again and again, one finds Scots names predominating among them. Thus Cunninghames storekeepers in the early

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133. The above remarks are based on the sample of contracts examined in the last few pages.

134. GCA, Probative Writs, B.10/12/9, Contract of George McCall and Co.

135. There are two letterbooks of correspondence, one from 1767 to 1773, the other from 1772 to 1774. Both are catalogued in the Scottish Record Office under GD247/58/0. In addition, there are numerous individual letters scattered throughout the Cunninghame of Lainslaw Papers (GD241/58-9; GD247/140-1) in the same depository.

136. PRO, A012/9/35-7; GCA, Speirs Papers, TD131/10-12, Diary of Alexander Speirs.

1770s included John Neilson, Thomas Gordon, John Turner, David Walker and William Henderson.<sup>137</sup> Young men from Scotland were usually recruited as indentured servants, to serve as an assistant in one of the company's stores and so obtain training at the hands of an experienced employee. By an indenture of 14 July, 1769, between John Craig, son of James Craig of Braidland, in the parish of Dalry, Ayrshire and W. Cunninghame and Co., Craig 'bound and obliged himself, honestly, diligently and faithfully, to serve William Cunninghame and Co. in Virginia'. Craig was to be indentured for five years from the date of his arrival in the colonies and to be employed as an assistant storekeeper. During this time, 'he was not to absent himself from the company's service and was to obey at all times the orders of the Company'; he, in turn, was to be provided with bed, board and washing and to receive an annual salary increasing from £5 for the first year to £25 by the beginning of his fifth year.<sup>138</sup>

At the end of a five year indenture period, not only was it reasonable for the company's partners to conclude that the assistant had been thoroughly trained but also that his loyalty to the company could be depended upon. One gains the impression from the Cunninghame correspondence that every recruit was a potential chief factor and had to be nurtured accordingly. When one young man, Allan Bogle, arrived in Virginia he was employed in the office of the superintending factor in Virginia in 'writing'; the latter pointed out that while Bogle remained there, he would give 'such employment to him from which he may gain knowledge of the method books are kept in Virginia and the

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137. SRO, GD247/58/0, passim.

138. SRO, UP1 Currie Mack, C/4/13, W. Cunninghame and Co. versus Craig (1777); for another example of an indenture see GCA, Reg. of Deeds, B.10/5/7792, Indenture between R. Dunmore and Co. and R. Boscawen, 24 January, 1775.

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modes followed in carrying on the trade'.<sup>139</sup> Whenever a vacancy arose among the company's stores or when a new store was being established, the chief factor would choose the most promising of the assistants to fill the post; 'Mr. Dobbie' assistant to Thomas Gordon, in a store at Halifax County, was appointed to a second store there because 'of his own knowledge of the business, care and assiduity' together with the good reports Gordon had given of his loyalty to the company.<sup>140</sup> John Turner 'bred to business' at the Rockeyridge store replaced Bennet Price at Farquar Court House.<sup>141</sup> Yet, one Virginia merchant thought that blood relationship to the partners of the firm rather than recognizable ability was the criterion for such promotion. He was trying to locate a post in a new store on the York River but observed that 'when the budget was open'd, an advocate appeared for the Supra Cargoes brother, which you may easily believe prevaild'.<sup>142</sup>

Almost certainly there was a degree of truth in this charge of nepotism, and, as we have seen, family connection was central to the functioning of the colonial merchant group in Glasgow. However, it also seems clear that merchant firms, such as Cunninghames, did try to reward ability. In 1771, John Thompson, formerly a storekeeper of Messrs Donalds, entered their service. His contract was to run for five years, and he was to receive annual wages 'not exceeding £100 sterling'. For the first three years the allotted salary was to be considerably under that sum but the amount would be raised it was emphasised in accordance with ability shown.<sup>143</sup> Similarly the firm

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139. SRO, GD247/58/0, James Robinson to W. Cunninghame and Co., 17 June, 1773.

140. *Ibid.*, to Thomas Gordon, 23 August, 1770.

141. *Ibid.*, to Bennet Price, 11 September, 1768; to John Turner, 6 October, 1771.

142. NLS, Charles Steuart Letterbooks, MS 5026, James Ingram to Charles Steuart, 25 April, 1771.

143. SRO, GD247/158/0, James Robinson to Andrew Chalmer, 31 May, 1771.



would not tolerate inefficiency or neglect of duty for long. New storekeepers were warned to spend their whole time on the company's business and not to undertake trade on their own account.<sup>144</sup> This requirement to spend one's time wholly in the company interest could occasionally reach bizarre extremes. Bennet Price was dismissed the firm's service in 1768 although his agreement with them did not end until 1769. Unfortunately Price had got married,

They cannot agree to be served by a married man, if a single one can be got, thinking the former must often be necessarily call'd from their business by his family affairs.<sup>145</sup>

Within the period covered by the Cunninghame correspondence, 1767-1774, the company dismissed four of their fourteen storekeepers in Virginia for failure to perform their duties adequately. Francis Hay -

gave loose to dissipation. A purchase was made of a servant girl which he kept for sometime; and gaming to excess soon became common - so much addicted was he to this Vice that he has lost as I have been informed £60 at a sitting...<sup>146</sup>

William Johnston's 'behaviour was such that we look on him as totally unworthy of continuing in our service'.<sup>147</sup> Andrew Chalmer, manager of the Richmond store, had shown himself to be incompetent: 'Can you believe there was not a single transaction posted into the ledger since the beginning of last purchase ...?'<sup>148</sup>

So much responsibility was placed on the shoulders of storekeepers that only able men would suffice. Francis Hay, the 'bon viveur' who had managed the Dumfries store for Cunninghames, had lost several planter customers

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144. Ibid., to John Turner, 6 October, 1771.

145. Ibid., to Bennet Price, 11 September, 1768.

146. Ibid., to John Turner, 18 March, 1773.

147. SRO, GD247/141, William Cunninghame to William Henderson, 18 July, 1774.

148. SRO, GD247/150/0, James Robinson to W. Cunninghame and Co., 4 November, 1772.

because of his behaviour.<sup>149</sup> Success in the management of a store demanded several qualities: shrewd business sense, charm in order to ingratiate oneself into the confidence of planters, a deep concern for the company's interest and a dutiful application to the labour of compiling accounts. James Robinson, Cunninghames superintending factor, advised his storekeepers to develop 'knowledge of People's disposition' in order to extend the circle of his customers. The supreme combination was what Robinson called 'good usage' and 'plenty of money'.<sup>150</sup> Money was normally to be used as rarely as possible<sup>151</sup> but one of the occasions when it was employed was in attracting new customers.<sup>152</sup> 'Good usage' consisted of more subtle, but none the less effective methods to encourage planters to offer their crop to the store. Robinson counselled one of his storekeepers to use 'drink in abundance'.<sup>153</sup> Every effort was to be made to 'conciliate the affection and esteem of the people and to gain their confidence' by showing honesty in every transaction.<sup>154</sup> At the same time, Robinson advised -

too great an intimacy with any of them may be attended with bad consequences, Secrecy in all your Transactions of Business even to the most simple is what I would strongly recommend. <sup>155</sup>

The extension of the house's business was of course an important element in the storekeeper's task but it was only one of several duties which he was called upon to undertake. Again it is best to let James Robinson outline

149. Ibid., Robinson to W. Cunninghame and Co., 15 May, 1773.

150. Ibid., Robinson to John Turner, 25 October, 1768.

151. SL, CSP 162/23, Alex. Cunninghame and Co. to David Walker, 13 Nov., 1771.

152. SR0, GD247/58/0, Robinson to Bennet Price, 30 November, 1767; to John Turner, 25 October, 1768, 6 October, 1771; to John Neilson, 19 August, 1772.

153. Ibid., Robinson to John Turner, 25 October, 1768.

154. Ibid., 4 October, 1768.

155. Ibid., 6 October, 1771.

what he took to be the duties of the good storekeeper:

to consider attentively what quantity of tobacco may be bought ... to raise the advance on goods as they will soon be scarce: to cultivate an acquaintance with the characters and estates of the people in the neighbourhood or who have or may have dealings at the store; to endeavour to procure security from any of the present debtors who may be deemed worthless or more in debt than there is a probability of them paying: to steer clear of such in future; to credit no man with more than the supposed value of their annual crop unless he has a viable and clear estate: to give no credit to tradesmen or overseers unless their employers become security for what they deal: to confine his transactions to those who make crops of tobacco the only payment which can be depended upon .... 156

Given the manifold qualities required of a storekeeper in the Glasgow tobacco trade, it would be interesting to inquire whether any of them managed to move upwards in the echelons of the companies eventually to become full partners, resident in Glasgow. From the evidence available it would appear that this was not common. Judgement ought not to be overweighted by the atypical examples of men, such as Patrick Colquhoun, Robert Findlay and William Cunninghame, who did reach such heights.<sup>157</sup> Colquhoun also carried on business on his own and by that means accumulated capital; details on Findlay and Cunninghame suggest that their rise was partly due to family connection within the merchant group.<sup>158</sup> James Parker, formerly in the service of Speirs French and Co. thought that advance to partnership level was only possible through such connections:

I was a factor and had I been a third or fourth Cuzin to some of the principalls, I suppose, with a patient, diligent, saving and subservient disposition, I might have jogged on in a state of dependence to this day.<sup>159</sup>

156. Ibid., Robinson to W. Cunninghame and Co. 26 February, 1773.

157. Joseph Irving, The History of Dunbartonshire (Dunbarton, 1880), 268; SRO; GD247/140, Answers for William Cunninghame ... 1-2; C.A. Oakley, Connal and Co. Ltd., 1722-1946 (Glasgow, 1946), 25.

158. Vide supra, 41-2.

159. NLS, MS5026, James Parker to Charles Steuart, 19 April, 1771.

He added that in the Norfolk area in Virginia which he knew best, none of those 'who had done anything for themselves' had gained as a result of being factors or storekeepers in Glasgow tobacco firms.<sup>160</sup> Parker's comments read like those of an embittered man but his testimony is reinforced by the lack of evidence on recruitment of factors and storekeepers to copartneries except in the position of partner with one or two shares distributed to them as an incentive to diligence. Almost certainly the large amounts of capital required to become a major partner effectively prohibited their rise.<sup>161</sup>

Storekeepers could obtain their annual intakes of tobacco by three methods: in return for goods earlier supplied to planters, for money, or for bills of exchange. Often, of course, these three methods could be combined in varying proportions. Acquisition of tobacco in exchange for goods was the most popular method: money was scarce and a profit was made on the goods sold. The 'general advances' on goods at the Cunninghame stores in the early 1770s was from 65 to 75 per cent; storekeepers exchanged a missive with the planter specifying the advance to be paid and the terms of payments.<sup>162</sup> There was no uniformity in individual advances. They were to vary both with the quality of the articles required and the customers they were intended for. Thus those who kept up their repayments were to be favoured before the recalcitrant debtors -

You are fully sensible that every person ought not to have goods on the same terms. It would be unjust as well as imprudent that those people who pay Ready Money or Tobacco or whose payments are made regularly once every year to the amount of their dealings

160. Ibid.

161. Vide supra, 22-3 for capital requirements of individual partners.

162. SRO, GD247/58/0, James Robinson to John Turner, 6 October, 1771.

should pay as much for their goods as those others who are largely in debt or to whom large sums of money are advanced.<sup>163</sup>

The market price for tobacco was tentatively arranged in Virginia at the quarterly meetings of merchants in Williamsburg<sup>164</sup> with price levels based on crop potential, demand in Europe, and availability of shipping.<sup>165</sup> Evolving out of these meetings, some attempts were made to drive the price of the commodity up by a united mercantile front against the demands of planter - customers. Thus in 1767 it was agreed to offer 22/6 until the 10th of June in that year and then lower it 'after having held a consultation on the subject with the Merchants of Fredericksburg'.<sup>166</sup> In December, 1772 there was a meeting of 'the most considerable of the merchants' in and around Falmouth in Virginia to consider the price of tobacco. It was unanimously decided not to exceed 16/8 'per hundred' until May, 1773, 'much to the dissatisfaction of the planters'.<sup>167</sup> One must be dubious about the effectiveness of these attempts at price-fixing. The logic of the store system demanded that merchants attract customers not dissuade them, particularly since many planters only awaited an excuse to move their custom away from a firm to which they were becoming increasingly indebted.<sup>168</sup> Since one of the aims of the system was to keep turn-around time of ships in colonial ports to a minimum, planter stubbornness to sell at a low price could easily erode merchant resistance. It only required one merchant house to agree to a higher price for the price-fixing attempt to collapse.

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163. Ibid., Robinson to Bennet Price, 4 October, 1768.

164. See generally J.H. Saltow 'The Role of Williamsburg in the Virginia Economy, 1750-75, William and Mary Quarterly, 3rd. ser., XV (1958), 467-82.

165. SL, CSP 162/23/8.

166. SRO, GD247/158/0, James Robinson to John Neilson, 25 May, 1767.

167. Ibid., to W. Cunninghame and Co., 19 December, 1772.

168. Ibid., 17 June, 1773.

Thus the attempt of December, 1772 was quashed in January, 1773 when T. and A. Donald and Co. offered 20/-; this obliged the Cunninghame store at Rokeyrige to give the same; 'such,' wrote James Robinson to the partners in Glasgow, 'is an instance of the pernicious consequences of misunderstandings or jealousy amongst purchasers'.<sup>169</sup> In 1770 Cunninghames themselves took advantage of the fact that storekeepers in the Dumfries area were trying to keep prices low: this 'squared exactly' with their plan of increasing their circle of customers by offering slightly higher prices.<sup>170</sup>

Another factor which tended to erode the effectiveness of such attempts was the pressure of 'new' men in the colony who were not willing to join any such association but who rather looked upon their competitors' diffidence as an opportunity to increase their business. The occasional forays inland of English commission agents were particularly resented by Scots in the Piedmont area of Virginia.<sup>171</sup> The attempt to abide by a price of 18/- in June, 1772 was nearly successful but James Rob offered 20/-, 'thus the 20 shilling price is established on us here'.<sup>172</sup> A shortfall on the tobacco crop was liable instantly to destroy any such efforts. Merchants were only too eager to pay high prices to load ships which threatened to leave half-empty.<sup>173</sup>

Agreements between storekeeper and planter which stipulated that the former would take the latter's tobacco at a set price extending over several years, were particularly frowned upon by William Cunninghame and Co.

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169. Ibid., 8 January, 1773.

170. Ibid., Robinson to John Turner, 12 July, 1770.

171. Ibid., Robinson to William Henderson, 12 February, 1770.

172. Ibid., Robinson to W. Cunninghame and Co., 1 June, 1772.

173. Ibid.

They were 'amazed' in 1774 when they discovered that Messrs Donalds had entered into an agreement with one planter to take his crop at 20/- for seven years,<sup>174</sup>

Such agreements we condemn at all events whatever the price - the price in this case was high, Planters always have the advantage of the Merchant as he will be certain of his crop at all times, when the current price is lower than the one agreed on and when its higher he will have good luck if he gets one half of such crop, and even which he may not deliver till demand is mostly over and prices falling again. Besides by engaging in such ruinous contracts, the planter has no motive to keep the Quality of his crop up but in a little time it may be such only as will hardly pass the inspection.<sup>175</sup>

It would appear that a higher price was given the planter if he desired to exchange his tobacco for goods at the store or to liquidate a part of the debt incurred there in a previous transaction. In 1774 Cunninghames calculated that buying tobacco for money was 'such the cheapest way of purchasing tobacco'; indeed, one estimate suggested that the price obtained by the planter in such a sale was about twenty per cent lower than he would have obtained 'in discharge of debts contracted' or in exchange for goods.<sup>176</sup>

Cash or bills or a mixture of these was used to purchase tobacco in a variety of circumstances. As has been already noted, money and extension of credit was commonly given when the company was attempting to augment its circle of customers.<sup>177</sup> Cunninghames thought that 'the less money that is sunk in carrying on any Trade so much is the benefit increased to merchant' but on the other hand they realised that 'there is no acquiring an extensive influence without sinking a considerable sum in debts'.<sup>178</sup> At other times

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174. SEO, GD247/59/S, W. Cunninghame and Co. to John Turner, 18 July, 1774.

175. Ibid.

176. Ibid.

177. Vide supra, 12-12.

178. SEO, GD247/158/0, James Robinson to John Turner, 6 October, 1771.

the market situation demanded that firms buy a considerable proportion of their tobacco in cash or bills. Thus the 'overdone' nature of the trade in June, 1772 with an increased supply of customers and a less than normal harvest, encouraged the use of cash.<sup>179</sup> At the Rockyridge store of William Cunninghame and Co. the storekeeper could not purchase any tobacco 'without all cash'.<sup>180</sup> A similar situation obtained in the summer of 1775 when Glasgow companies were rushing to obtain cargoes of the crop before the colonial ports were closed.<sup>181</sup> Competition in a particular area between stores could also mean that bills and cash formed a significant proportion of the transactions.<sup>182</sup> On the other hand, financial prospects in the United Kingdom would automatically lead to an enforced cutback in the employment of money and bills. During the credit crisis in the late summer of 1772, Cunninghames ordered their factors on the Rappahanock and Potomack rivers in drawing bills on them not to exceed one-fifth to one-quarter of the value remitted, to one-quarter to one-third at Cabin Point and Petersburg, and to one-third to one-half in the Richmond area.<sup>183</sup> The following year, general directions were issued to all the Company's stores in Virginia counselling managers when using cash 'not to exceed one fifth part of the real cost of tobacco'.<sup>184</sup>

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179. Ibid., James Robinson to John Turner, 1 June, 1772.

180. Ibid.

181. Vide infra, 192-3.

182. SR0, GD247/158/0, J. Robinson to W. Cunninghame and Co., 22 July, 1773; 'Nothing can be done on upper James river without purchasing with all cash'.

183. Ibid., James Robinson to John Neilsen, 19 August, 1772.

184. Ibid., Robinson to W. Cunninghame and Co., 26 February, 1773.



**PART I**

**Glasgow Merchants in Colonial Trade, 1770-1815**

**CHAPTER 4**

**Trading Methods in the West Indies Trade,**

**1770-1815**

A London merchant in giving evidence to the Commissioners for Trade and Plantations in 1784 explained, in general terms, the mechanism of trade between the British West Indian islands and the United Kingdom:

The course of the trade is as follows: the principal British merchants are concerned with houses in the West Indies to whom they and their ships, which carry out goods from houses and who provide cargoes of the West India produce to load them home; these ships are called stationed ships and seldom if ever vary their course; but there are many others who go to the West Indies to look for freight and are called Seekers in contradistinction to the stationed ships.<sup>1</sup>

Behind this general pattern there was considerable variation; merchants owning plantations in the Caribbean and exporting their own sugar from them; merchants who engaged directly with planters without the intermediary of an agency house in the West Indies; merchants who were content to supply consumer goods and plantation stores to the planters and try to obtain remittances not in sugar, cotton or rum but in cash or bills of exchange. It is possible to detect all these methods being employed in the Clyde-Caribbean trade between 1770 and 1815, often by the same merchant house.

As far as can be deduced from the available evidence, however, the most common practice was for 'stationed ships' owned by Glasgow merchant houses to sail to the West Indies and there make contact with the firm's representatives, who communicated directly with the planters. Firms involved in this system were often described by contemporaries as being engaged in a 'West India commission business'.<sup>2</sup> Several means were used to form an enduring correspondence with a prospective planter-customer. The latter's need for working capital to develop a plantation out of tropical jungle and

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1. IM, Add. MSS 38388/10.

2. ML, Campbell of Hallyards Papers, Contract of Copartnership among the partners of John Campbell sen and Co. (1790).

then to staff it with untrained negro labour is well known.<sup>3</sup> The merchant in Glasgow might take advantage of this need to forge an enduring relationship with Caribbean planters. Thus, one of these planters, William Cumming of Jamaica, was hoping in 1778 that 'the period is at no great distance when a lasting connection' would begin between him and Robert Dunmore and Co. of Glasgow. This firm had suggested to him that when 'the present disturbances are at an end' they would 'take up his debts' and 'assist him with negroes to improve his property'. This had induced Cumming to accept their proposal that he should send his crop of sugar that year to them.<sup>4</sup> Alexander Houston and Co. were considering a 'tempting connection' in the same year. 'Mr. Stewart of Tobago' owned an estate with a productive capacity of 200 hogsheads in 1778 but this would certainly improve to 400 'in a year or two' when the necessary extensions and improvements had been carried out. Stewart promised Houstons a proportion of his sugar crop if they would advance credit 'never to exceed £3,000'; in addition the Glasgow firm was offered the security of two sugar plantations.<sup>5</sup> A similar arrangement with Antony Hodges of Montserrat was being considered by Houstons in the following year.<sup>6</sup> Merchants also acted as the planters' personal agents in the United Kingdom<sup>7</sup> and so trust in each other's integrity was a desirable element in their transactions. This in turn meant that contact with a new planter-customer could most easily take place through a friend, business acquaintance, relative, or through the fame and renown of a particular house. This latter

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3. Pitman, *loc. cit.*, 255; Ragatz, *op. cit.*, 10-11.

4. SRO, GD247/59/Q/2, William Cumming to Robert Dunmore, 22 November, 1778.

5. NLS, MS 8794, A. Houston and Co. to Messrs Turner and Paul, 1 October, 1778.

6. *Ibid.*, A. Houston and Co. to Anthony Hodges, 7 December, 1778.

7. *Vide infra*, 149.

element, together with the loans which were almost de rigueur between merchant and planter<sup>8</sup> was yet another factor which strengthened the position of the larger firms against their smaller competitors. Several examples can be cited of merchant houses establishing business relationships with planters through mutual friends and business associates. Robert Bogle was considerably indebted to Messrs. Gammells, Greenock West India merchants for 'their friendly support' in introducing him to various planters in Grenada and advising them of the high reputation of the family in Glasgow. He adjudged that due to their exertions he had 'comfortable prospects' of striking up successful business relationships in Grenada.<sup>9</sup> When Messrs Speirs, French and Co. were attempting to move into the Caribbean trade during the American War, their agent was ordered to apply to Messrs Turner and Paul in St. Vincents where Alexander Houston and Co.'s agents would introduce him to some planters.<sup>10</sup>

Glasgow firms could also take advantage of the fact that a goodly number of the British planters in the Caribbean were Scots or of Scottish descent. The capture of the French islands of St. Vincent and Dominica during the Seven Years War and their retention thereafter had led to an infiltration of British planters. Fifty-nine separate lots of land with a total area of 9440 acres were sold to such interests. Most buyers lived in the Caribbean itself - residents in Barbados, Nevis, St. Kitts and Antigua appear most often. However, twenty-two of the lots were acquired by

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8. One Glasgow house writing to their agent in Jamaica observed that 'We are still of opinion that it will be necessary for us to come under some advances to the shippers to ensure a permanent trade', NLS, MS8793, A. Houston and Co. to John Paterson, 2 December, 1776.

9. ML, Bogle MSS, Bundle II, George Bogle to George Eogle sen., 26 March, 1776.

10. SL, CSP 190/13, Speirs, French and Co. to Robert Burton, 10 March, 1779. For other examples of 'competitors' helping one another see above,

persons from Glasgow and the adjacent area. The value of these was £29,291..1..0 of the total of £111,535..9..0 (26 per cent).<sup>11</sup>

This spectacular movement into landownership by Scotsmen in the West Indies was however but a confirmation of an historic trend. Political, social and religious dissidents had been sent there since the middle decades of the seventeenth century.<sup>12</sup> The Caribbean had likewise been one of the areas to which the ambitious young Scot had gone to seek the fortune which eluded him in the more restricted horizons of his native land. Thus, in our period, one of the Boglees of Daldowie attempted to set himself up as a planter in Grenada in order to try and accumulate sufficient funds to enable him to pay his fathers extensive debts incurred during the financial crisis of 1772-3.<sup>13</sup> Thomas Riddoach, a young Scotsman, who had gone to Tobago may be taken as the classic example of this type. He was attempting to obtain a better 'place' in Grenada, saving hard to purchase a sugar estate and bitterly criticising the influence of the planter aristocracies which impeded his upward movement.<sup>14</sup> Finally the American War of Independence, and the 'cold war' which preceded it, encouraged many Scots of loyalist inclination in the rebellious colonies to migrate to the British West Indies.<sup>15</sup>

Scots planters in the West Indies would be likely to utilise the services

11. SRO, GD1/32/38, An Account of all the lands sold in the island of St. Vincent and Dominica by H.M.'s Commissioners, 1765.

12. A recent French study, Jean-Claude Vardin, La Mise en Valeur de l'île de Tobago, 1673-1783 (Paris and the Hague, 1969), shows that population in Tobago in the seventeenth and eighteenth centuries was predominantly of Scottish origin.

13. ML, Bogle MSS, Bundle II; George Bogle to Robin Bogle, 30 January, 1776.

14. NLS, Charles Stewart Letterbooks, MS5028, Thomas Riddoach to Charles Stewart, 10 February, 1773; MS 5030, Thomas Riddoach to Charles Stewart, 5 January, 1777.

15. Vide infra, 252-3.

of Glasgow merchants because through them contact could be maintained with relatives at home. Merchant correspondence with these men is full of references to the domestic situation of parents, brothers and sisters, aunts, uncles and cousins. Thus Duncan Campbell, planter in St. Vincent, was informed that his mother had recovered after an illness, and a detailed summary was given of the activities of various members of the Cambbell family.<sup>16</sup> Houstons were able to deliver the letter, sent by David Macfarlane, a planter in St. Croix to his mother.<sup>17</sup> One Scots planter was an ardent composer of religious tracts and had ordered Alexander Houston and Co. to have 700 sermons printed and 100 'to be adventured' in Glasgow; the house replied wryly that:

We must inform you that we dread the sale here will not be very expeditious, the good people of Scotland, not being so fond of demons of any kind as in days past. We shall, however, do the best that we can and doubt not that their merit will carry them through.<sup>18</sup>

Planters who had been born and bred in Scotland or who were descended from Scottish parentage might send their offspring to be educated in the homeland. The need to have their training and conduct supervised and paid for by a trustworthy representative was another factor encouraging links between Glasgow firms and Scots planters. Between 1765-74, 3.7 per cent of the matriculated students at Glasgow University gave the West Indies or North America as their place of residence.<sup>19</sup>

In the later eighteenth century contact between the merchant house in Glasgow and the planter in the Caribbean was increasingly strengthened by

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16. NLS, MS8793, A. Houston and Co. to Duncan Campbell, 4 March, 1776.

17. Ibid., to David Macfarlane, 19 April, 1776.

18. Ibid., to Hugh Knox, 19 April, 1776.

19. Mathew, loc. cit., 75.

the rise of the agency houses. The nature of the trade and of the commodities being exchanged probably made the expansion of these intermediary units inevitable. The sugar crop was liable to violent year-to-year fluctuation which could rarely be seen in advance; hurricane, war and slave revolt could all affect the year's produce.<sup>20</sup> The distance between the Caribbean and the United Kingdom meant that merchant houses in Glasgow could offer a general strategy to be followed out but had to rely on their representatives in the West Indies to make the crucial decision on how much of the produce to acquire in a particular year in the light of local conditions. Moreover the existence of an agency house on a West Indian island meant that turnaround times in ports could be kept to a minimum. Agency houses could make advance preparations for collecting sugar from a diverse range of sugar estates throughout an island and do their utmost to have as much of the produce as possible ready to be shipped on the quayside when a vessel from their Glasgow principals put into port.<sup>21</sup>

It was also the agency houses which arranged the credit given to planters and which formed an essential element in the merchant-planter relationship. Credit given by merchant to planter was in fact the lifeblood of the trade. Because of seasonal delays and the necessity to convert newly acquired slaves into a competent work force, an involved system of long term credits had been created with bills being drawn on the merchant firm in Glasgow by its agents in the West Indies; terms on these varied between sixty days and three years. Thus George Noble, Robert Dunmore and Co.'s

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20. For a discussion of the difficulties which faced West India merchants during one of the eighteenth century wars, vide infra, 262-315.

21. NLS, MS8793, A. Houston and Co. to Messrs Turner and Paul, 1 October, 1766; to Messrs Houston and Paterson, 1 October, 1776.

agent in Savannah La Mar in Jamaica, drew a total of £820 on Dunmores for five West India planters for eighteen months as follows:<sup>22</sup>

£50	for	William	McNeil
"	"	"	"
"	"	"	"
60	"	"	"
40	"	"	"
120	for	Walter	Ewing
100	"	William	Wood
200	"	Davidson	and Walker
100	"	"	"
100	"	Rachel	Henrique.

These representatives were capable of organising enormous credit expansion to West Indian interests. By 1792 Alexander Houston and Co. had six agency houses in the island of Grenada, all seemingly connected by interlocking partnerships, viz. Munro, McDowall and Co., Munro, McDowall, McFarlane and Co., Munro and Co., Munro, Macfarlane and Dougall, Munro, Macfarlane and Co. and Laurence McDowall and Co.<sup>23</sup> In the late 1780s and early 1790s the exploitation of the ceded French islands, the operation of the free port scheme and the extinction of a major competitive area with the revolution in St. Domingo, all gave a stimulus to credit expansion in the Caribbean. Alexander Houston and Co. were in the forefront of this: in 1792 the advances of their six agency houses totalled £112,002..1..11.<sup>24</sup> (Table 18) By 1794 this debt had more than doubled to £226,750.<sup>25</sup>

From the preceding discussion it is quite plain that a great burden of responsibility rested on the shoulders of the West India firm's agents in

22. SRO, GD247/139, List of Bills drawn by George Noble on Messrs R. Dunmore and Co., 14 July, 1787; for another example of a similar process see SRO, GD237/134, Account Current of Laurence McDowall, Grenada, 1789-1799.

23. SRO, GD237/151/5, View of the affairs of Messrs Alex. Houston and Co.

24. PP., 55 (1800), Report of Select Committee on Mr. McDowall's Petition, 427.

25. Ibid.



TABLE 18

Balances due, Grenada agents to  
Alexander Houston and Co. 1792

	£	s.	d.
Munro, McDowall and Co.	64,481	12	10
Munro, McDowall, Macfarlane and Co.	49,358	12	4
Munro and Co.	12,946	14	5
Munro, Macfarlane and Dougal	-	-	-
Munro, Macfarlane and Co.	-	-	-
Laurence McDowall and Co.	6,445	6	2
William Nicholls	548	1	1
Off Balance in 1792 due to	£133,780	9	7
Munro, Macfarlane and Dougal	21,778	7	8
	£112,002.1.1		0

the West Indies. Incompetence, failure to perform one's duty through illness or dishonesty could each mean dismissal. George Noble, Dunmore's factor in Jamaica was 'encouraged' to leave the firm in 1787 because of his 'want of attention to many and repeated instructions' although he was a full partner in the concern and although his health was poor.<sup>26</sup> Every effort was made to be as certain as possible of the diligence, loyalty and trustworthiness of these men. Thus it was common practice for one or two members (usually junior) of a merchant family to head the agency in the Caribbean. Of the five partners of John Campbell sen and Co., two were the firm's agents in Grenada; both were Campbells. These were Thomas and Alexander Campbell, junior.<sup>27</sup> Alexander McCall, brother of the principal partner in McCall, Riddell and Co., was the concern's representative in Trinidad and St. Croix in the early nineteenth century.<sup>28</sup> Laurence

26. SR0, GD237/139, Notarial copies of George Noble's letters to Robert Dunmore and Co., 23 September, 1780 - 15 July, 1787.

27. ML, Campbell of Dallyards Papers, Contract of Copartnership of J. Campbell sen and Co. (1790).

28. SR0, RH 15/169, Sederunt Book of McCall, Riddell and Co., 1-2.

McDowall was the senior agent for Alexander Houston and Co. in the 1790s: he was a brother of the two chief shareholders in the firm at that date, William and James McDowall.<sup>29</sup> Earlier, in the 1770s, Alexander Houston jun., son of Alexander I, had been the managing partner in Messrs Houston and Paterson, the company's agency house in Grenada.<sup>30</sup> James Smith, although criticised by his brother Archibald for being overcautious, represented Leitch and Smith in the Caribbean.<sup>31</sup>

The agents of Glasgow firms in the West Indies, like their counterparts in the tobacco trade, were given cause for loyalty and incentive to diligence by being included in partnerships. This was the case in each of the contracts of copartnery examined for this study. The concern of Eogle, Graham and Co established in 1772 to carry on trade from the Clyde to Grenada and Tobago included three partners resident in Glasgow - George and Michael Eogle and Walter Graham - and a fourth, John Birkmyre, who -

shall manage the Company's business in Grenada and Tobago and in the West Indies by selling and disposing of the goods to be exported to him ... and collecting the debts and remitting the proceeds thereof ....<sup>32</sup>

Particular emphasis was laid in the contract on Birkmyre's duties. He was 'expressly bound' to balance the company's books on the first of August in each year and to transmit two copies by different vessels of the balance to his fellow partners in Glasgow as soon as the operation was completed. He was also to send 'an exact accompt' of the sales made by him and the payments made to him to Glasgow. The partners resident in Scotland were finally

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29. GSO, GD237/134, Account Current of Laurence McDowall with Alexander Houston and Co., 1789-99.

30. NLS, MS 8793, Alexander Houston to Alexander Houston jun., 14 October, 1776.

31. GCA, Smith of Jordanhill Papers, TD1/38/28, Arch. Smith to James Black, 11 August, 1815.

32. GCA, Reg. of Deeds, B.10/5/7552, Contract of Copartnery betwixt Messrs Eogle and Grahame and John Birkmyre, reg., 23 December, 1772.

given the power of dismissing him from the partnership although he held stock like them and had full voting powers as an integral member of the copartnership. This was the Glasgow partners' most solid insurance against any misconduct on the part of the man upon whom the success or failure of the company to a large degree depended.

... in the event of the said John Birkmyre's failing to transmit such states in manner above mentioned or of the partners at home being dissatisfied with his conduct in the management of the Company's affairs then the other parties shall have full power and liberty to supersede him in the management of the said business and to appoint any other person to that charge they shall judge proper, to which person John Birkmyre binds himself to deliver up the management of the Company's business with the whole of the Company's books and subjects and that immediately after such appointment is notified to him. <sup>33</sup>

Similarly, control over the agents of John Campbell sen and Co. in the Caribbean was strengthened by the second clause in their copartnership contract of 1790 which emphasised that 'everything relating to this business will be subject to the controul and direction of the partners at home'. <sup>34</sup>

For persons fresh to Caribbean trade it was not uncommon to arrange a partnership with a merchant planter already established in the West Indies and for the latter to act as the new man's agent. Such an arrangement would allow a newcomer to tap the experience and contacts of the established merchant. Thus Robert Lang jun., 'manufacturer in Paisley', wishing to expand outlets for his textiles came to an agreement with his brother Alexander and one Robert Ewing, both planters in Grenada 'to enter into partnership and carry on a joint trade in purchasing different kinds of goods or merchandise in Scotland and England and exporting them to Grenada and of purchasing sundry goods in Grenada and importing them to Britain'. <sup>35</sup> Roderick Macdonald

33. Ibid.

34. ML, Campbell of Hallyards Papers, Contract of Copartnery among the partners of John Campbell sen and Co.

35. GCA, Probative Writs, B.10/12/5, Contract of Copartnery, Langs and Ewing, 14 July, 1788.

and Co. of Glasgow and John McDonald and Co. of New Providence united and agreed to carry on a joint trade to Demerary and Trinidad for seven years from March, 1804. The partners of John McDonald and Co., since they had knowledge and experience of the Caribbean were to handle the West Indies side of the new concern; Roderick McDonald and Co. were to look after the firm's interests in the United Kingdom.<sup>36</sup>

Perhaps the major difference between the business of the Glasgow sugar merchant and the tobacco merchant in the late eighteenth century was the fact that the former merely took his commodity on consignment from the planter, who retained title of ownership while the 'store system', well nigh universal in the tobacco trade in the 1770s, ensured that possession and ownership of the crop passed to the merchant. However, while acceptance of commodities on consignment was typical of West India commerce there were exceptions to the general rule. During the American War of Independence Speirs, French and Co. were instructing their factor in the Caribbean, Robert Durton, that about £50,000 would be put at his disposal 'to be laid out in such commodities and to ship them to such ports in Europe as will bring the best price'.<sup>37</sup> In 1776, when the sugar market was on the rise, Alexander Houston and Co. ordered their agents in Grenada and St. Vincent to use cash to obtain extra sugar supplies.<sup>38</sup> In addition, the 'usual' pattern was disturbed by merchants owning plantations and shipping their own sugar and by the 'seeking ship' trade which was practised by even established merchant houses. Both of these expedients will be examined below.<sup>39</sup> It is

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36. Ibid., B.10/12/9/314, Contract, McDonalds and Others, 1804.

37. GCA, Speirs Papers, TD131/9, Letterbook of Speirs, French and Co., 1781-89, to Robert Durton, 28 January, 1782.

38. NLS, MS8793, A. Houston and Co to Messrs Houston, Paterson and Co., 1 October, 1776.

39. Vide infra,

plain, however, from the extant records of the major Glasgow West India houses of Alexander Houston and Co., John Campbell sen and Co., Somervell, Gordon and Co., Leitch and Smith, Robert Dunmore and Co. and Dennistoun, Buchanan and Co. that Glasgow sugar merchants were mainly 'commission agents', accepting sugar for planters, sending them stores on their orders and carrying out a miscellaneous series of tasks for them.<sup>40</sup> In this sense the Glasgow methods of trade were similar to those of London and Bristol West India merchants in the eighteenth century.<sup>41</sup>

The purchase of sugar outright did not offer the merchant as secure a return as did taking it on consignment. By the latter method the burden of risk for the cargo was transferred to the planter. The planter or the merchant's agency house informed the principal in Glasgow of the amount of insurance required on the next shipment; the Glasgow house then endeavoured to obtain the insurance asked for. A typical example of this type of transaction can be seen from Table 19 below.<sup>42</sup> Insurance could be taken out by a policy negotiated with one's fellow merchants in Glasgow; twenty to thirty would come together and subscribe to a joint policy.<sup>43</sup> Increasingly in our period, however, insurance business was transacted in London and Glasgow West India houses retained permanent representatives in the capital to negotiate

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40. NLS, MS 8799, Alex. Houston and Co's Salebook No. 3; ML, Campbell of Hallyards Papers, Minute Book of J. Campbell sen and Co., 1803-41; GCA, Sederunt Book of J. Somervell; GCA, Smith of Jordanhill Papers, TD1/1-2, Ledger and Journal of Arch Smith; SRO, GD247/59/Q/2, W. Cunninghame to Robert Dunmore, 6 August, 1778; SRO, UP Innes Durie L.8/1, Dennistoun, Buchanan and Co versus Lillie etc.

41. R. Pares, A West India Fortune (London, 1950), 186-8 and 'A London West India Merchant House, 1740-1769' in R. and E. Humphreys (ed.), The Historian's Business (London, 1961); Thoms, loc. cit., 5; Hall, loc. cit. (1961).

42. SRO, GD247/59/Q/2, H. Clarke to Messrs. Robert Dunmore and Co., 10 January, 1778.

43. SRO, GD241/1, Insurance Notes for numerous examples of this practice. See above,

TABLE 19Copy of Insurance Policy for Hanover, belonging to  
Robert Dunmore and Co., 10 January, 1778

The Assurance £2843 on goods is declared to be as follows:

£120	on 10 hogsheads Sugar valued at £12 to be shipt by George Bedward.
£750	on 30 hogsheads Sugar at £25 shipt by J. Jackson
£160	" 10 " " " £21 " " M. James
£252	" 12 " " " £22 " " Dawes (uarrell
"	8 puncheons rum " £12 " " " "
£240	" 2 hogsheads Sugar " £22.10 " " D. Tavyary
"	" bags cotton " £15 " " " "
"	20 planks mahogany " 30/- " " " "
£671	" 21 hogsheads Sugar " £22 " " J. Williams
"	6 puncheons rum " £11.10 " " " "

their policies.<sup>44</sup> At the same time, insurance on cargoes was not always demanded by planters. Some of them were willing to risk doing without the added expense or suspected that the insurers combined to push up premiums. Failure to arrange insurance cover on cargoes could even occur during war-time. Some sugar on board the Charles Sharpe was not insured in 1776 because the consigner considered it 'not worthwhile'; however, the remainder of the cargo was insured in Glasgow for £775.<sup>45</sup>

The larger West India firms, when possible, used their own vessels to carry Caribbean produce to the Clyde. In the 1770s Alexander Houston and Co. had a fleet of twelve ships trading with the West Indies. In the same period Robert Dunmore and Co. possessed six ships.<sup>46</sup> Charter Parties were

44. NLS, MS8759, A. Houston and Co. Home Letterbook II, A. Houston and Co. to William Clark, 29 Sept., 1777; SRO, GD247/59/Q/2, Dunmore - Clarke Correspondence.

45. NLS, MS 8793, A. Houston and Co. to Messrs Turner and Paul, 4 March, 1776. See also A. Houston and Co to John Hamilton, 29 July, 1778.

46. NLS, MSS 8793-4; SRO, GD247/59/Q/2, Dunmore-Cunninghame Correspondence.

negotiated but the expense of these encouraged merchants to utilise their own vessels. Alexander Houston and Co. joined a Charter Party in 1777 with a Greenock merchant house because 'ships are so scarce and ill to be got.' The rate of freight for it was 'very high' and had to be paid by the month. Houstons observed that 'the only thing that can save us from loss is getting a full ship home and that the voyage may be as short as possible'.<sup>47</sup> Smaller firms had more often to make do with freighting their imports in the holds of ships belonging to other merchants and pay a freight rate on the voyage. Thus Steele, Nisbet and Co. were in this position.<sup>48</sup> When Walter Monteath formerly heavily engaged in the tobacco trade as a partner in Glassford, Gordon and Co., expanded into the West Indies trade in the early 1780s,<sup>49</sup> he shipped his sugar in vessels belonging to Robert Dunmore and Co.<sup>50</sup> Whether a merchant employed his own or someone else's ships the costs of carriage (seamen's wages, provisions and risk to the vessel) were charged to the planter's account.<sup>51</sup>

On arrival at port the Glasgow house paid customs duties, lighterage, wharfage, expenses of warehousing and cartage as the representative of the consigner: these in turn were charged to the latter's account.<sup>52</sup> For a variety of reasons, cargoes could not be sold immediately on arrival in the Clyde. The produce, even of a single estate could vary from year to year with climatic changes and the skill and attention of the sugar boilers.

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47. NLS, MS 8793, A. Houston and Co to Messrs Turner and Paul, 6 March, 1777; to Capt. Edward Morrison, 5 March, 1777.

48. SRO, UP Innes Durie A/6/6, (Copy), Andrew Monach to Peter Nisbet, 1 August, 1802.

49. PRO, A012/9/37; SRO, E:504/15/34.

50. SRO, GD247/149, Information for Robert Bogle of Shettleston ... 20 December, 1786, 1-4.

51. NLS, MS 8799, Salebook C of A. Houston and Co.

52. NLS, MS 8799, Salebook C of A. Houston and Co., passim.

Moreover, different islands specialised in different qualities; Barbados tended to produce fine 'clayed' sugar, St Kitts, good raw or muscavado sugar and the Demerara product was considered best for the grocers.<sup>53</sup> The vicissitudes of a market economy also meant that merchants would have to await price changes and the impact of their sugar samples on brokers before sales were contemplated. In the interim, therefore, the produce was housed in the general sugar warehouses or 'common cellars' as they were known, of Port Glasgow and Greenock. These were either in the hands of proprietors or of tacksmen who paid an annual rent to the proprietors, and a contemporary alleged, 'make a considerable profit to themselves by taking in the goods belonging to different persons and receiving a certain sum corresponding to the room such goods occupy and the time they remain in the cellars'.<sup>54</sup>

Unless the merchant house was intent on re-exporting the sugar themselves to overseas markets, it was normally sold in the United Kingdom through a broker.<sup>55</sup> Inevitably there were exceptions: Robert Dunmore and Co. had a standing arrangement with the Leith Sugar House, by which they sold to them directly and were given preference. As the manager, observed in a letter to Dunmores,

We have examined the 60 hogsheads of sugar and found them right .... We are not determined when we shall purchase any more sugars; when we do, we shall look at what you may have then on hand, before we purchase from any other.<sup>56</sup>

In addition, there were strong partnership links between various Glasgow

53. Pares, A West India Fortune, 189.

54. SRO, GD247/140, Information for Robert Bogle of Shettleston ... 13.

55. ML, Chamber of Commerce Papers, B/7, Memorial of the Merchants in Glasgow interested in the tobacco and sugar trade, 7 March, 1783.

56. SRO, GD247/59/Q/2, Charles Cowan to Robert Dunmore and Co., 9 October, 1778.



merchant firms and sugar-houses in the city.<sup>57</sup> Where such linkages existed it was commonplace for merchants to sell direct to the houses concerned. Alexander Houston and Co. for instance had such a relationship with the South Sugar House Co. of Glasgow.<sup>58</sup>

For the most part, however, Glasgow West India merchants seem to have relied on the services of brokers. A coffee house for merchants in the sugar trade with accommodation for brokers' offices and sample rooms had been established in Glasgow in 1781.<sup>59</sup> When the merchant decided that the time was ripe for the sale of part of his cargo, samples were made up for the broker who forwarded them to bakers, sugar-houses and grocers. For his efforts, the broker charged a commission on sales of two per cent.<sup>60</sup> According to Alexander Houston and Co., writing in 1777, the credit given by merchants on sugars purchased by retailers and wholesalers was 'four months from the day of sale or at the rate of 5 per cent per annum discount for ready money.'<sup>61</sup> Obviously, within this commercial structure, the skill of the importer lay in his ability to spot a favourable opportunity for releasing his samples on to the market and in compiling these to present the best possible package for brokers and their customers.

For most firms the ultimate fulfillment of their role as sellers of their clients' sugar to the highest bidder demanded that they secure entry into the London sugar market, the principal mart for that commodity in Britain.<sup>62</sup> Thus most of the bigger houses retained representatives in the

57. Vide infra, 326-33.

58. SRO, GD237/139, Account with South Sugar House, 1777-79.

59. GCA, Council Minute Book, C1/1/36/453, 17 January, 1781.

60. SRO, GD247/59/Q/2, W. Cunninghame to R. Dunmore, 6 August, 1778.

61. NLS, MS8759, A. Houston and Co. to Phillip Moore, 30 October, 1777.

62. Pares, West India Fortune, 188.

capital: one London sugar broker informed Robert Dunmore and Company's agent there that 'to sell these goods [sugar] at his market they must be on the spot and the samples drawn according to the practice of this port.'<sup>63</sup> McNeil, Stewart and Co. carried on business in London under the name of Alexander Henry and Co; this concern made insurance arrangements for the parent house and organised relations with the brokers.<sup>64</sup> Alexander and James Campbell and Co., and Alexander Creighton performed the same functions (in addition to accepting planters' remittances) for John Campbell sen and Co.,<sup>65</sup> and Alexander Houston and Co. respectively.<sup>66</sup>

For all the commercial services performed by the merchant for the planter there was charged to the latter's account a commission on sales of 2 per cent.<sup>67</sup> This seems to have remained a standard amount varying neither between ports nor over time. In London and Glasgow in the 1770s this was the rate of commission and in Glasgow in the early 1800s the same sum was charged.<sup>68</sup> Commission rates and freight charges were not the only sources of profit to the merchant in the consignment system. The Glasgow house acted as the supplier of stores and general factotum for planter customers in the Caribbean. Of course, not all the trade in plantation equipment and consumer articles from the Clyde to the West Indies was in the hands of specialists in Caribbean commerce. Sometimes the planter acquired his stores direct

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63. SRO, GD247/59/c/2, W. Cunninghame to R. Dunmore, 6 August, 1778.

64. SRO, UP Inglis M/13/4, Answers for George Eallie and Co. to the Petition of Messrs. McNeil, Stewart and Co., 24.

65. ML, Campbell of Hallyards Papers, Codicil to Settlement by Alexander Campbell relative to his stocks in J. Campbell sen and Co., 12 April, 1817.

66. NLS, MS, 8793, A. Houston and Co. to James Akers, 4 March, 1776.

67. NLS, MS799, Alex. Houston and Co.'s Salebook 'C', 1775-79, passim.

68. Ibid; SRO, GD247/59/c/2, W. Cunninghame to R. Dunmore, 6 August, 1778; ML, West India Association of Glasgow Minute Book, Minute of 19 May, 1809.

from a Glasgow manufacturing house. Thus James Johnstone, one of Glasgow's premier stocking makers, was in the late eighteenth century in a concern with William Colhoun and Cuthbert Helburn on 'an adventure of goods to the West Indies'.<sup>69</sup> Robert Carrick, banker and linen merchant, and Dugald Bannatyne, a partner of James Johnstone and also a successful stocking manufacturer, had a more enduring relationship with the merchant house of Allan, Bannatyne and Co. in Jamaica, by which the Glasgow men kept the latter supplied in linen and woollen goods.<sup>70</sup> Another Glasgow textile firm, Brown, Carrick and Co., in which Robert Carrick was a principal partner, were sending haberdashery to Jamaica in the early 1770s.<sup>71</sup> The Dalnottar Iron Co was supplying the Caribbean directly in the 1780s with nails, staves, chains, axes and various agricultural implements.<sup>72</sup>

Yet West India firms also found the supply trade a lucrative one. They had the intimate contacts with planters; there were the possibilities of close liaison between the latter and the house in Glasgow by means of established factors in the West Indies; the financial resources of the predominantly large sugar importing firms allowed greater scope for credit extension to the perennially indebted and capital-hungry West Indians. Planters communicated through the Glasgow firm's house in the Caribbean.<sup>73</sup> Thus Houstons sent 30 barrels of herring to James Smith, planter in Nevis in 1776, and described how there was little possibility of their sending any more that year but noted his order for 60 barrels to be conveyed to him

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69. SL, CSP 413/28, Petition of Andrew Thompson and Others, 12 February, 1800, 4.

70. *Ibid.*, Stewart, *op. cit.*, 157, 186-7; Mitchell, *op. cit.*, 164-180.

71. GCA, TD 80, Letterbook of John Brown jun. of Brown, Carrick and Co., 1772-1785 (xerox copy), J. Brown to Robert Nisbet, 27 December, 1773.

72. SRO, Customs Accounts, Greenock, Oct. 1782 - April, 1783, E.504/28/35.

73. NLS, MS8793-4, *passim*.

thereafter. Oats were also being sent Smith in the same ship and the Glasgow house were sure that after this first trial, 'we doubt not that you will find them come as cheap as from London'.<sup>74</sup>

Once a merchant house had encouraged a planter to 'make tryal' of goods sent out to him an important step had been taken in the establishment of an enduring connection between them. The correspondence of Alexander Houston and Co makes it clear that sugar consigned to the merchant was mainly to pay for plantation stores sent out at an earlier date.<sup>75</sup> Once indebted to a firm in this way a planter would be likely to have considerable difficulty in severing relations altogether, particularly as the company which specialised in Caribbean trade would have a more detailed knowledge of West Indian preferences than the domestic manufacturing concern exporting goods there.

Commodities shipped to the West Indies fell into three main categories: provisions for negro labour, equipment for the exploitation of sugar estates and 'sundries' which could mean anything from an elegant lady's gown to hair mattresses.<sup>76</sup> Provisions mainly consisted of barrels of herring. Thus in the Caledonia, bound for Grenada in 1776, 'goods' were valued at £437..1..0, flour at £41..3..9, bricks at £38..0..2, coal at £70..16..6 and '250 barrells herring' at £294..14..9.<sup>77</sup> The proximity of Glasgow to the herring fisheries of the Clyde undoubtedly afforded her merchants a not inconsiderable advantage in the Caribbean trade. Contact with prospective planter-customers was often made because of the ability of Glasgow merchants to ensure a

74. NLS, MS8793, A. Houston and Co to James Smith, 19 June, 1776.

75. Ibid., A. Houston and Co to Messrs Turner and Paul, 1 October, 1776; 1 October, 1778.

76. For examples of outward bound cargoes see SRO, Customs Accounts, Port Glasgow and Greenock; for 'sundries' see SRO, GD247/58/P/2, List of Sundries to be shipt by Messrs. Robert Dunmore and Co for Hugh Fraser, Westmorland, Jamaica, 28 May, 1786.

77. NLS, MS 8793, A. Houston and Co to Messrs Houston and Paterson, 4 March, 1776.

steady supply of herring to them; thus Alexander Houston jun 'had conversations' with several planters in London; he managed to encourage them to begin dealings with the firm in Glasgow but admitted that they were particularly interested in herring. Writing to them afterwards he expressed the hope that 'the herrings will arrive safe and prove good so as to encourage your further orders in future years'.<sup>78</sup>

From April 1777 to April 1778, 23,058 barrels of herring were shipped from Greenock.<sup>79</sup> David Loch, who visited the Clyde in the early 1770s, thought that

The number of merchants and shipmasters, all of whom are adventurers, is pretty considerable for the extent of the place .... The men, women and boys and girls, who are employed in carrying on all the various operations, from the rough materials, hemp and staves, to the bringing of the fish to market is about 420 in Rothersey alone.<sup>80</sup>

Salt for curing was supplied, at least in the 1770s and 1780s, from Portugal and from France.<sup>81</sup> Importation from the latter country was largely from Bordeaux and the trade linked the two sectors of Glasgow's colonial commerce. Vessels exporting tobacco to the account of the French Farmer General might carry salt for the Clyde fish curers on their return journey; tobacco merchants 'must otherwise have ordered their vessels home in ballast'.<sup>82</sup> Staves, the other necessary element in the trade, came generally from North America, except during the American War of Independence which caused 'a scarcity of good staves', or from Baltic ports such as Danzig and Lubeck.<sup>83</sup> So

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78. Ibid., A. Houston and Co. to Robert Hamilton, 4 March, 1777.

79. David Loch, Essays on the Trade, Manufactures and Fisheries of Scotland (Edinburgh, 1778), 145.

80. Ibid., 149.

81. SRO, Customs Accounts, Greenock and Port Glasgow, passim.

82. SRO, CE60/1/10, Collector, Greenock and Port Glasgow to H.M.s Board of Customs, 23 June, 1778.

83. SRO, Customs Accounts, Greenock and Port Glasgow, passim; Loch, op. cit., 146.

important was the supply of herring to merchants for the timely departure of West India bound vessels, that firms maintained representatives in Greenock and Port Glasgow who arranged prices, stowage of the herring and advance orders with the fishers.<sup>84</sup> During wartime when convoy assembly points had to be reached within a specific time schedule, close liaison with the fishermen was especially essential.<sup>85</sup>

This summary analysis of the most common form of commercial relationship between the Clyde and the Caribbean will have made it clear that the indebtedness of planter to merchant was a perennial feature of the system. Planters drawing bills on merchant houses to cover slave and equipment purchases, sugar crops failing to meet current expenses, the inevitable vicissitudes of the trade itself, the obvious reluctance of merchants to use legal means against recalcitrant debtors except as a last resort and sheer extravagance on the part of planters, were all causes of varying importance in what the late Professor Pares aptly called 'that malignant organism, a West India debt'.<sup>86</sup> Loans to planters were often secured on plantations and in the event of an individual being unable to repay the sum, the merchant house could obtain the sugar estate by foreclosure.<sup>87</sup> This process brought a variation in the pattern of commercial relations between Glasgow merchants

84. SRO, GD247/59/S, James Paton to R. Dunmore and Co., 5 December, 1789; NLS, M8759, Home Letterbook H, A. Houston and Co to Messrs Gordon and Hamilton, 1 November, 1777.

85. Vide infra, 216.

86. Pares, West India Fortune, 239. Alexander Houston and Co's instructions to their agents in the Caribbean show that, in their opinion, taking debt cases to court 'except absolutely necessary for our security' would encourage prospective planter-customers to look elsewhere, NLS, MS 8793, A. Houston and Co. to Messrs Houston and Paterson, 4 March, 1776.

87. This process has been described by L.J. Ragatz, The Fall of the Planter Class in the British Caribbean, 1763-1833 (New York, London, 1928).

and the Caribbean. Instead of traders acting for planters in the sale of their produce they were, in the late eighteenth and early nineteenth centuries, actively engaged in the marketing of their own crops from their own sugar estates.

John McCall and Sons had 'at different periods' advanced Andrew Thomson of Trinidad 'large sums of money'. In security for these, 'he had granted them certain conveyances, mortgages or other transfers extending over several properties and estates situated in the island'. Gradually McCall and Sons had acquired possession of several of these.<sup>88</sup> Foreclosure on loans would, however, depend on circumstances in the Caribbean. Acquisition of a mortgaged estate was not attractive if the property concerned was in danger of attack by Caribs or from conquest by the French. Thus Alexander Houston and Co in 1778 emphasised to their agents in Grenada and St. Vincent that two estates, the owners of which had defaulted on their loan repayments, were not to be acquired by the company. Of the Mount Alexander plantation in St. Vincent, Messrs. Houston and Paterson were advised 'not to meddle with it for it will distress us much to take it up ...' They were to continue to accept repayment of the loan 'as far as the estate can bear it' until happier political conditions prevailed.<sup>89</sup>

Merchants unwilling to move into plantation ownership often put the mortgaged property on the open market and attempted to recoup at least part of their loan in that way.<sup>90</sup> Again, the stipulations of a mortgage on an estate often meant that a merchant house could obtain the benefits of acquiring the produce without encountering the risks of ownership. The owners of

88. SR0, BCP II, 62, 556, Bill of Suspension and Interdict, Robert Demistoun against Francis Garden (1821), 3-4.

89. NLS, MSS794, A. Houston and Co. to Messrs Houston and Paterson, 27 May, 1778.

90. SR0, RH15/169/20, Sederunt Book of McCall, Riddell and Co.

the Lance la Roche plantation in St. Vincent, Messrs Boddingtons, applied for a loan from Houstons in early 1778. Given the developing depression of that year they could expect nothing but the most severe terms. Before the proposed advance of £3,000 could be negotiated, Boddingtons were encouraged to agree to five specific conditions. A mortgage on their estate was to be taken out on the loan and 'some lawyer of character in London' was to inspect it and make certain that it was 'perfectly valid and effectual'. The sum of £3,000 was to be repaid by Boddingtons in equal proportions in London at nine, twelve or eighteen months from the date of the loan. In addition 'the whole crops of the estate' would be consigned to Houstons until they were fully paid off. During this time the plantation owners were not to be allowed to draw bills on Houstons 'nor are we to advance a shilling on any account except for such plantation stores as may be necessary'. Even after the loan was completely liquidated, the crop was to be consigned to them for two or three years and the proprietors were then to be allowed to draw on them for an amount equal to the estate's produce.<sup>91</sup>

On the other hand such firms as Eogle, Scott and Co., and Steele, Nisbet and Co. saw estate acquisition as an essential part of their business organisation; the former soon after their formation purchased a plantation with a productive capacity of about 300 hogsheads of sugar annually; the latter attempted in the early 1800s to obtain rapid, speculative gains by buying former Dutch owned plantations in Berbice and Demerara.<sup>92</sup> Colonel William McDowall, who together with James Milliken established the firm which was eventually to evolve into Alexander Houston and Co, lacked in the

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91. NLS, MS8759, Home Letterbook 'H', Alexander Houston and Co. to Alexander Houston jun., 6 February, 1778.

92. ML, Eogle MSS, Bundle 55, Robert Eogle to William Scott, 7 June, 1785; SRO, UP, Innes Durie A/6/6, Articles of Agreement between J. Ferguson and Peter Nisbet on the other part.



early 1720s the necessary funds to go into full scale plantation ownership. Thus, they rented a sugar estate from Mrs Penelope Mead of St. Kitts. McDowall then took on a partner, James Gordon, who was appointed manager of the rented plantation.<sup>93</sup>

Whatever the methods used or the motivation for acquisition of such property by merchants, it is clear that throughout our period many Glasgow firms owned sugar plantations. Table 20 will give an impression of the extent of this ownership as far as it has been ascertained from the sources consulted. (Page 169.)

In addition to merchants accepting planters' consignments or importing sugar from their own estates there was a third form of commercial relationship between Glasgow and the Caribbean. By this 'seeking ships'<sup>94</sup> sailed to the West Indies with little in the way of a predetermined plan in mind. They did not intend to load a cargo of produce from company agents or from planters who had promised the shipowner a proportion of their crop. In such a venture considerable responsibility was placed on the company's chief representative on the vessel. Thus Captain Alexander McKinlay was hired by Alexander Houston and Co. to command the Caledonia bound for Jamaica in 1776 because he was 'acquainted with the island' and would be 'useful in this respect ... by ingratiating himself with the planters'.<sup>95</sup> He was to accept advice from the company's agents in Jamaica but in the last resort it was his duty 'to act therein as circumstances may occur'. More commonly it was good policy to have a supercargo on board the vessel who had a specialist responsibility for the sale of the cargo. Again instructions were

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93. SRO, GD237/139, Minutes of Agreement between Col. W. McDowall and Mr J. Gordon, St. Christophers, 28 December, 1723.

94. Vide supra, 145.

95. NLS, MS 8793, Alexander Houston and Co. to Captain A. McKinlay, 4 March, 1776.

TABLE 20: Plantation Ownership by Glasgow West India Companies, 1770-1815

FIRM/MERCHANT	ESTATE	SOURCE
Alexander Houston and Co.	Value of property in West Indies (1800). £139,000	PP., 55 (1800), Report on Mr McIvally's Petition, 428.
John McCall and Sons	Westmoreland Estate, Union Estate, Mount Arran Estate, (all in Trinidad)	SR0, RM 15/169/17, Sederunt Book of McCall, Riddell and Co.
R. Dunmore and Co.	'Large Estate', Jamaica.	SR0, GD247/39, Memorial and Queries for Lainshaw Trustees (1809), 5.
Robert Mackay and Co.	Neywood Hall Estate, Jamaica, value £23,553..3..1.	GCA, TDI/88, Articles of Agreement between J.M. Heywood and R. Mackay and Co.
Bogle, Scott and Co.	Mountraven Plantation, Grenada.	ML, Bogle MSS, Disposition and Settlement of Robert Fogle, 30.
John Campbell sen and Co.	Mount Rose Estate, Pointe Estate, (both in Grenada) Enterprise Estate, Roosenhaag Estate, Annandale Estate, 50 per cent interest in Endeavour Estate, 3/7 part interest in Aurora Estate, (all in British Guiana).	ML, Campbell of Hallyards Papers, Minute of J. Campbell sen and Co., 33 August 1804; Contract of Agreement between Colin Campbell etc. as to Demerary estates, 1841.
Andrew Robertson	Share of Plantation in St. Vincent, value £8,333.	SR0, GD237/151/3.
John Spens Munro	'Property in Jamaica', £3,000.	SR0, GD237/151/3.

N.B. Since British West Indies operated under English law, which did not, as in Scotland, recognise a partnership as a separate legal entity, ownership of plantations was in the title of individuals rather than companies.

relatively vague; the general strategy for the voyage was set out by the parent house but flexibility was allowed the supercargo. William Dickson was to proceed 'with first fair wind' to Barbados where he could dispose of all or part of his cargo 'if the market was to his mind'. If he was not satisfied, however, he was allowed a clear field of action -

We desire you may go on to any others of the British Caribbean islands that you may be advis'd there be the best chance of sale. We imagine Grenada or Antigua are the most likely islands to sell at, but you will be better able to judge of this when there, and we accordingly leave you at liberty to take up as many islands you think will be most for our interest. 96

Dickson was even empowered to purchase 'two good ships, of 150-300 tons' if he found them really cheap and could hire 'careful masters and men to navigate them'. for his 'encouragement', he was to be paid £8 sterling per month from the time he left the Clyde until he returned to Glasgow. In addition he was allowed all 'reasonable expenses' throughout the voyage. 97

One gains the impression, however, that 'seeking ships' formed a relatively small proportion of the total number of vessels plying between the Clyde and the Caribbean between 1770-1815. The Clyde Customs Accounts do not offer unambiguous information on a ship's voyage, merely indicating the first port of call in the West Indies or the port suggested to the customs officials by the owners. However, other sources do suggest a pattern. The letterbooks of Alexander Houston and Co for the years 1776-82, which are full of instructions to ship's captains and therefore a useful measure of the house's intentions, reveal that only three of the vessels outward bound in these years were given instructions similar to those received by William Dickson. The normal practice was that ships' masters were ordered to put

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96. Ibid., A. Houston and Co to William Dickson, 18 July, 1776.

97. Ibid.

in at a particular island (or islands) and there obtain cargoes from planter-customers or from the house's agents.<sup>98</sup> Clearly it would be unwise to suggest that this pattern was necessarily typical of other Glasgow West India firms. Houstons had been establishing themselves in the Caribbean since the 1720s and would be likely to have accumulated more established customers than most companies.<sup>99</sup> Furthermore, the period examined was one of war, and it may plausibly be argued that during hostilities it paid a company to keep to set sailing times and standard routes which facilitated the formation of convoys.<sup>100</sup>

The recently published research of Gary M. Walton has, however, served to reinforce the conclusion reached from an examination of the Houston letter-books. Walton has shown how United Kingdom - West Indies and West Indies - North America commerce manifested a striking pattern of regularity in the late eighteenth century; ships did not generally venture where trade was unfamiliar for this would result in lengthy port times, an important form of under-utilisation.<sup>101</sup> From the merchant's point of view too, the prosecution of trade along established routes was likely to be more attractive. For one thing, the gradual movement into plantation ownership which we have already noted, would encourage a bias in this direction. Moreover, the personal nature of the relationship between planter and merchant would lead to permanency. Planters would wish to obtain the credit advances which

98. NLS, MS 8793-4, passim.

99. SRO, GD237/139, Minutes of Agreement between Col. William McDowall and James Gordon, 28 December, 1723.

100. Vide infra, 213.

101. Walton, loc. cit., 387-89. See also G.M. Walton, 'Sources of Productivity Change in American Colonial Shipping, 1675-1775', Econ. Hist. Rev., 2nd ser. XX (1967), and 'A Measure of Productivity Change in American Colonial Shipping', Econ. Hist. Rev., 2nd ser., XX (1968).

such a relationship brought; merchants, on the other hand, wanted some degree of security that their ships would be fully freighted.

Both in terms of profits and costs 'stationed ships' seem to have been more attractive to merchant houses. The examples of 'seeking ships' which have been traced suggest that the owners of such vessels were bent on achieving rapid sales of their cargo of plantation equipment and consumer goods in the Caribbean and having the proceeds of such sales remitted home in cash, 'good Bills of Exchange' or alternatively West India produce.<sup>102</sup> The use of this method thus seems to have been particularly favoured by Glasgow men who were not specialists in West India commerce but who wished to try their luck at selling a cargo for a good price in the islands. For instance, James Johnstone and Fugald Dannatyne, two Glasgow hosiery manufacturers, were concerned together in 1800 in 'an adventure of goods to the West Indies.'<sup>103</sup> West India merchants involved in more permanent relationships with planters could hope to achieve profit on several transactions - commission rates on sale of produce in the U.K., freight charges and interest on advances made to planters. Owners of 'seeking ships' would be unlikely to obtain this last accrual; their relationship with planter-customers was of a purely temporary nature and they would be unwilling to become enmeshed in the complex web of West India debt.<sup>104</sup>

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102. NLS, MS8793, A. Houston and Co. to W. Dickson, 18 July, 1776; SL, CSP 413/28, Petition of Andrew Thompson, 12 February, 1800, 4-5; GCA, Speirs Papers TD131/9, Speirs, French and Co to T. Elen, 3 January, 1782; GCA, Letterbook of John Brown jun., Brown to Robert Nisbett, 27 December, 1773.

103. SL, CSP 413/28/4.

104. See for examples, Houston and Co's instructions to their supercargo, William Dickson, NLS. MS8793, A. Houston and Co to W. Dickson, 18 July, 1776; interest rates on advances could be lucrative, Houstons were charging 8 per cent on loans in the 1770s. See *ibid.*, A. Houston and Co. to Messrs Turner and Paul, 4 March, 1776.

PART II

Glasgow Colonial Merchants and the  
American War of Independence, 1775 - 1783

CHAPTER 5

Glasgow Merchants and the Collapse of the  
Tobacco Trade, 1775-83

- (I) The approach of the collapse
- (II) Effects of collapse
- (III) Pre-1775 Debts
- (IV) The Fate of Debts after 1783
- (V) Bankruptcies and the Collapse of the  
Tobacco Trade

There is little doubt that Glasgow tobacco merchants were well informed about the developing difficulties in the relationship between mother country and colonies before 1775. It is by now an established convention of eighteenth century Scottish economic history that merchants had easy access to information on the political climate of Virginia, Maryland and the Carolinas, both through press reports and through a more personal 'intelligence network'.<sup>1</sup> Such journals as the Caledonian Mercury, the Glasgow Journal and the Scots Magazine faithfully reported the successive crises in colonial relations, incorporating transcriptions of news and comment originally published in London newspapers. They also included items of specific Glasgow interest concerning the colonies, the source of which were often excerpts from private letters received in Scotland and written for the most part by Scots resident in America. Storekeepers and factors employed by Glasgow merchants in the colonies were, of course, the major sources for detailed reports on the troubles. It was their duty, as has been noted,<sup>2</sup> to relate not only the movement of tobacco prices, the state of the weather and the prospects of the future crop but also to describe fully political conditions, especially in so far as they affected Glasgow's commerce. The fact that Glasgow merchants were fully aware of the situation in North America is certain; what is perhaps more debatable is how they interpreted the

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1. See for example M.L. Robertson, 'Scottish Commerce and the American War of Independence', Econ. Hist. Rev., 2nd ser., IX (1956); Hamilton, Economic History, 269; R.H. Campbell, Scotland since 1707 (Oxford, 1964),

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2. Vide supra, 31-3.

information received and, more important, how they reacted as the possibilities of wholesale collapse in the tobacco trade became known. An answer to these questions will be attempted in the first section of this chapter.

## I

A careful review of the instructions sent out to factors by two leading Glasgow firms, Speirs, French and Co. and William Cunninghame and Co. reveals that merchants were much less pessimistic concerning the prospect of outright rebellion than is often suggested. Secondly, one gains the impression that their acceptance of the reality of a total collapse in relations between the American colonies and the U.K. occurred in 1775 and not before, and that until France entered the war in 1778, they felt secure in the inevitability of a rapid victory for British arms. The value of evidence extracted from the records of these two firms is particularly significant because, with the Glassford group of companies, they had the lion's share of tobacco importation in the two years previous to the American War.<sup>1</sup> Of the 31,090 hogsheads imported from Maryland, Virginia and the Carolinas in 1774, the Speirs group, (Speirs, French and Co., and Speirs, Bowman and Co.) owned 5,629, Cunninghames (William Cunninghame and Co., Cunninghame, Brown and Co., and Cunninghame Pindlay and Co.) held 5,018 hogsheads.<sup>2</sup> In other words, these two units imported almost exactly one-third of the total Greenock-Port Glasgow importation for 1774. In 1775, out of a total importation of 29,330 hogsheads the two groups accounted for 10,050.<sup>3</sup> Evidence

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1. Vide supra, 29-9.

2. Calculated from SRO, Collector's Quarterly Accounts, E.504/28/23-24; E.504/15/23-24.

3. Calculated from SRO, Collector's Quarterly Accounts, E.504/28/25-6; E.504/15/24-5.



extracted from the Cunninghame records will also be of special interest. William Cunninghame has long played the role in Glasgow hagiography of the extremely shrewd man of business, skilfully extricating himself from an impossible situation as the collapse of the tobacco trade loomed and making vast profits on hastily imported tobacco as wartime prices soared.<sup>4</sup>

William Cunninghame's letters to his chief factor in Virginia in late 1774 show a determined reluctance to believe that the rebellious noises emitting from North America would ever come to anything: 'I imagine', he noted in September of that year, 'all your associations will come to nothing, the prudent Pennsylvanians will not be pushed into no such violent plans... What madmen the Virginians are - How can they live or keep their negroes alive without coarse linens and cloths.'<sup>5</sup> The non-importation agreements did not impress him; indeed he visualised that they would operate to the advantage of the British merchant,

We will indeed not be displeased on their entering into an Association against importing goods in which we shall join them with vast pleasure adhering most to its being very sensible that it would be the most effectual method for enabling them to pay off part of their debts to us. But even in doing this, they behaved to exempt many goods, which they must have viz all kinds of coarse clothing, tools and indeed were they generally to purchase nothing else for some years, it would be a happy event both for them and us.<sup>6</sup>

In the summer of 1774 Cunninghame's aim was the expansion of his company's interests in Virginia; his letters reveal that contraction and retrenchment were far from his mind. He planned to set up 'a lasting establishment' on the upper Potomack in order to compete effectively with one of the Duchanan firms.<sup>7</sup> As late as March, 1775 he was still unwilling to accept

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4. See, for example, Stewart, *op. cit.*, 124, 190.

5. SRO, GD247/141, W. Cunninghame to James Robinson, 29 September, 1774.

6. *Ibid.*, W. Cunninghame to William Henderson, 18 July, 1774.

7. *Ibid.*

the possibility of rebellion, maintaining that any motion by the colonials to stop exportation must come to naught. For this reason, he counselled his chief factor to refrain from purchasing tobacco until the price showed signs of falling since 'by all accounts this year's crop will be as large as ever.'<sup>8</sup> The crucial business discussions which followed logically from Cunninghame's analysis of the situation will be looked at in detail later;<sup>9</sup> here it ought to be said that he was in an excellent position to judge the political climate since in 1774-5 he was actually visiting Virginia.<sup>10</sup> Whilst in Alexandria, in that state, rumour had suggested that the U.K. Parliament had 'put a stop to any proceedings ... against the Americans for a certain number of years'; this had cooled many colonial tempers.<sup>11</sup> As a result Cunninghame was left in a position of complete indecision: there is no sign of any grand strategy being elegantly worked out to reap large profits from the developing political situation -

I really am at a loss how to act with regard to the purchase of cargoes and postpone doing anything until I heard from you, but from Findlay's letter now before me, informing me with certainty that all our ports are to be shut instantly. I wish I had attempted purchasing. The merchants here at present are undetermined what the price of tobacco will be. <sup>12</sup>

His mind was no more firmly set in May, 1775, 'I am almost at a loss how to behave'.<sup>13</sup>

Cunninghame was not alone in doubting, even to the last moment, the imminence of rebellion. Certainly Speirs, French and Co. did accept the

8. SRO, GD247/59/0/1, W. Cunninghame to J. Robinson, 28 March, 1775.

9. Vide infra, 191-2.

10. This is made clear in SRO, CE 60/1/8, James Black to H.Ms. Collector of Customs, 10 August, 1776.

11. SRO, GD247/59/0/1, W. Cunninghame to James Robinson, 25 April, 1775.

12. Ibid.

13. Ibid., W. Cunninghame to J. Robinson, 10 May, 1775.

possibility of a non-exportation agreement becoming a reality and took precautions to deal with such an eventuality. Yet, in their correspondence to their chief factor in Maryland as late as June, 1775 they betrayed no signs of envisaging a wholesale collapse in the tobacco trade. If the export of tobacco should be temporarily halted, their factor was advised to keep his stores open and to dispose of the company's goods to those planters whose payment could be depended upon. Bonds could be taken from them for their existing debts. Interest was to be taken on the produce of the planter's estates and such a course of action 'will procure you the good will of your customers which may be of use when trade is open'.<sup>14</sup> In a word normal trading practice was to be followed. The company's final instruction illustrates their optimism over future commercial relationships with Maryland:

... we desire, you may contribute all in your power to dispose of the goods you have ... as we would wish to have all our old goods disposed of before a new importation is allowed.<sup>17</sup>

The chief factor of James Brown and Co. accurately reported the political events which threatened the trade; after the Boston Tea Party and the Coercive Acts, his firm was warned of the upsurge of the radicals and of how the Scots were singled out for harsh treatment. Most of what he said, however, would have been common knowledge to anyone who read the weekly press.<sup>16</sup>

It was not in fact until May-June, 1775 that his letters manifested a real fear that a complete collapse might well occur in relations with the mother country. In a significant letter of June, 1775 he urged the need to make

14. SL, CSP 190/13, Extract of a letter from the Petitioners [Speirs, French, and Co.] to George Sherriff, 15 June, 1775.

15. EUL, Mercantile Accounts, Virginia and Maryland, Alex. Hamilton to Messrs. J. Brown and Co., 18 January, 1774, 30 May, 1774.

16. See for example Caledonian Mercury, 6 July, 1776; 7 October, 1775 on the radicals' emphasis on Scots residents.

the most of the remittances he was sending because, he warned, they 'will be the last for some considerable time, if not for ever.'<sup>17</sup> Again, the Petition of the Merchants of Glasgow presented to the House of Commons on 23 January, 1775 makes no allusion to any prospective rebellion. After emphasising how they were 'deeply interested in the trade to North America' they observed that -

... certain late acts of Parliament have created fears and jealousies and raised much dissatisfaction in the minds of H.M.'s American subjects who have been induced to enter into resolves to interrupt the commerce between Great Britain and the colonies, if this interruption to trade is continued long, many thousands of British manufacturers will be reduced to poverty and distress by want of employment. 18

Obviously the petition was based on anxiety over the non-importation agreement, not on the danger of rebellion.

One final piece of evidence to illustrate the theory that Glasgow merchants were not as well prepared for any eventuality as has been thought deserves mention here. The agent of the French Farmers General in Scotland, Mr. Herries, a Director of the Royal Bank in Edinburgh, in close touch with the feelings and opinions of the colonial merchant groups in Glasgow, was motivated in his negotiations with the tobacco merchants at the beginning of 1775 by the fact that 'dispute between the mother country and the colonies would soon be amicably settled and that the price of tobacco would ere long return to their former level...'<sup>19</sup>

When rebellion did break out few argued that the contest would last more than several months. Section II of this chapter will present the view that merchants did not operate in a fashion in 1776-7 which suggested a

17. EUL, Mercantile Accounts, A. Hamilton to Messrs J. Brown and Co., 30 June, 1775.

18. Edinburgh Evening Courant, 1 February, 1775.

19. Forbes, op. cit., 45-6.

lengthy war;<sup>20</sup> here something may be said of the opinion on which such business decisions were taken.

There was almost a total underestimation of the ability of American colonists to resist, for any extended period, the counter-measures of British regular troops. This was a natural mistake. There was no precedent for such a contest - only in the Seven Years War had regular armies of any size fought in North America, but the British had no experience of fighting colonials on their own ground. The formidable logistics problem involved in the transportation of an army of over 30,000 men across the Atlantic were only dimly realised.<sup>21</sup> To contemporaries the colonial were 'puny Americans' or 'puny Republicans',<sup>22</sup> and their land 'a petty little province, the creature of our own hands, the bubble of our breath'.<sup>23</sup> Jokes were persistently made in the Glasgow and Edinburgh press about the deficiencies in the rebel armament. Readers were gaily informed that the Americans had only forty pieces of cannon 'of which not more than twenty five were fit for service'.<sup>24</sup> In November, 1775 it was confidently asserted that -

... the rebel army are in great distress for want of clothing so that it is certain one half of them will desert, or be obliged to be disbanded when the cold weather sets in ... the opinion of the people in America who have not lost their reason by enthusiasm is, that if a proper force is sent out in the spring, one of their principal towns destroyed by way of an example, and a few regiments sent to the southern provinces, that there is not the smallest doubt but that the rebellion will be crushed in one campaign and the rebels brought to a proper sense of their duty. <sup>25</sup>

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20. Vide infra, 191-5.

21. For the logistics problem and how attempts were made to solve it see David Syrett, Shipping and the American War, 1775-83 (London, 1970).

22. Senex, op. cit., II, 47.

23. Scots Magazine, May, 1774.

24. Caledonian Mercury, June 10, 1775.

25. Ibid., 25 November, 1775.

George Stewart noted, 'the confidence which the Virginian merchant entertained in the potency of British valour',<sup>26</sup> but, as one Scottish factor in the colonies observed, they were not alone in their optimism,

... it was the general opinion both among civil and military men that our provincials would not fire a single gun in the contest and that all their preparations were meant only to intimidate and to exhort terms. 27

Another expatriate, writing from Norfolk, Virginia, opined that '... when General Gage begins to act on the offensive the Rebellion will be immediately crushed'.<sup>28</sup>

These two factors - the relatively late realisation that full-scale rebellion was a possibility and the certainty that speedy retribution would snuff out insurrection - explain to a large extent the business decisions taken by Glasgow tobacco merchants in 1775-6.

In these two years the Scottish press was full of reports of massive tobacco importations from Virginia and Maryland. The Caledonian Mercury described such imports in April 1775 as 'extraordinary', pointed out that 'there were on hand and in Holland 20,000 hogsheads' and forecast the arrival of another 30,000 within the following three months.<sup>29</sup> In May the same journal noted how,

scarcely a week has passed but some vessels have arrived with tobacco, indigo, rice, tar etc., so that it is computed we have received well nigh the value of a million sterling within these eight months. 30

Confirmation of the heavy importations comes from other sources. The

26. Stewart, op. cit., 192.

27. NLS, Charles Steuart Letterbooks, MS 5209, James Murray to Charles Steuart, 15 May, 1775.

28. Ibid., James Parker to Charles Steuart, 12 June, 1775.

29. Caledonian Mercury, 12 April, 1775.

30. Ibid., 20 May, 1775.

existing warehouses at Port Glasgow and Greenock were so overstretched that 'temporary sheds' and private stores had been filled but there was 'still a good deal of tobacco which cannot be landed for want of the places to put it in'.<sup>31</sup> Messrs. Dinwiddie, Crawford and Co. complained to the Board of Customs that they were unable in August 1776 to discharge their 322 hogsheads of tobacco from the Blandford,

On examining the cellars and enquiring at the person who has the management of them ... we find we cannot yet get room.

They asked for permission to keep the cargo on board ship while storage space on land was made available.<sup>32</sup>

It is easy, though hazardous, to proceed from this information to argue that Glasgow merchants were feverishly shipping home uniquely large cargoes of tobacco in order to gain from the inevitable price rise which would occur when relations between the U.K. and the colonies were finally broken off. Such an argument, though containing an essential core of truth, hardly does justice to the complex nature of the situation of 1775-6. In the first instance, as has been stressed thus far, merchants were not as certain about the prospect of rebellion as such an argument might imply. Given this fact, merchants had to be very careful about extensive purchase because of the likelihood of glut if 'normal' political relations continued. William Cunninghame whose three companies imported more than one-fifth of the total shipped to the Clyde in 1775,<sup>33</sup> concluded as late as March of that year that -

Purchasing tobacco in the present term is in my opinion a greater risk than ever as the intended crop this year will by all accounts be as large as ever. <sup>34</sup>

31. SRO, CE 60/1/8.

32. SRO, CE 60/1/8, Dinwiddie, Crawford and Co. to H.M. Collector of Customs, 13 August, 1776.

33. See Appendix IV/b.

34. SRO, GD247/59/Q/1, William Cunninghame to James Robinson, 28 March, 1775.

As tension mounted throughout April, Cunninghame held off extensive buying;<sup>35</sup> in May he noted the beginnings of an increase in price and how 'one or two gentlemen' were starting to buy at the higher level, but Cunninghame still held back. In that month he wrote to his chief factor how glad he was that Robinson, with his great experience of the trade, agreed with him that 'it would be imprudent purchasing tobacco in these times'.<sup>36</sup> Four days later Cunninghame was forced to enter the market.

Tobacco now selling at as high as 20/- which price since yesterday is become general. Campbell and myself avoided giving that price, thinking it was only given by them for a few hogsheds to make up a certain quantity but they took in such quantity that Campbell began to be uneasy and at last at 20/- I was obliged to follow or lose greatly; indeed in the time we kept off I have lost a considerable quantity.

There is little of the image of the Machiavellian merchant here: clearly Cunninghame was partly taken by surprise at the development of the situation and in some panic was hastily attempting to adjust his plans to it.

It was only from early May, 1775 that one can really speak of merchants feverishly loading ships for home. The reality of a possible rebellion had certainly sunk in by then. A petition in the autumn of 1775 from the Cunninghame group of companies, Dinwiddie, Crawford and Co., John Glassford and Co., Colin Dunlop and Co., and Bogle, Somervell and Co., asked the Board of Customs for relief from certain entry regulations:

Our factors in these parts (Virginia and Maryland) were obliged to hurry away our ships with tobacco and other goods, then on Board, otherwise there we had been precluded from bringing them to a European market so hereby there has been a great and sudden importation of tobacco from these two Colonies. 37

By May-June, a virtual seller's market had been established in Virginia.

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35. Ibid., W. Cunninghame to James Robinson, 25 April, 1775.

36. Ibid., W. Cunninghame to James Robinson, 4 May, 1775.

37. SRO, CE 60/1/8.



Tobacco was 'again on the rise'; one planter, a Captain Holmes was hawking his crop round various merchants. Dids from Cunninghame and Henry Riddell did not satisfy him.<sup>38</sup> Factors eschewed the normal method of acquiring tobacco as payment for debts incurred at the stores. Cunninghame ran out of cash in Dumfries and sent for an immediate replenishment from his headquarters in Norfolk.<sup>39</sup> Inevitably transport costs rose rapidly as the existing tonnage was used to ship out the annual crop within a much shorter period than normally. At Alexandria 'there was no such thing as craft to be got' in August, 1775. One firm appointed a special agent to locate scarce shipping and hire it for the company's use.<sup>40</sup> An observer noted how the decks of vessels, traditionally employed for storing staves and barrel hoops, were in this particular summer loaded with tobacco.<sup>41</sup>

It is evident that the mass exportation of tobacco was much less carefully planned than is occasionally implied.<sup>42</sup> A second point which ought to be made is that to a degree the good fortune of Glasgow merchants holding extensive stocks of tobacco when prices rose in late 1775-1776 was due to objective market forces as well as to the exertions of the merchants concerned. The Customs Accounts make it plain that importations for 1775 were in fact less (though only by about one and a half thousand hogsheads), than those of 1774.<sup>43</sup> Apart from anything else the written record substantially deflates the Caledonian Mercury's ecstatic estimate of over 50,000 hogsheads confidently expected as a grand total for the year.<sup>44</sup> On the other hand, it is

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38. SRO, GD247/59/0/1, W. Cunninghame to James Robinson, 27 May, 1775.

39. Ibid., W. Cunninghame to J. Robinson, 4 August, 1775; see also CL, CSP 190/13, G. Sherriff to Speirs, French and Co., 3 June, 1775.

40. Ibid., 17, 26 August, 1775.

41. Ibid., James Crosby to J. Robinson, 20 July, 1775.

42. For example by Hamilton, Economic History, 269.

43. SRO, E.504/28/24-5; E.504/15/24-5. See the abstract in Appendix IV/a-b.

44. 12 April, 1775. An estimate quoted with approval by Hamilton, 269.

equally clear that the firms had by the summer of the following year extensive stockpiles of tobacco in storage at Greenock and Port Glasgow. The Glassford group had over 3,300 hogsheads, about two-thirds of their import of 1775; Cunninghames had almost 5,000, just 1,108 less than they had shipped from America throughout the previous year. In all, there remained 14,404 hogsheads in cellars in the two Clyde ports in August of 1776.<sup>45</sup> Only a minimal proportion of this total actually arrived in that year. The Customs Accounts show that for the whole of this year, 1,313 hogsheads were imported into Greenock and a mere 208 into Port Glasgow.<sup>46</sup>

A solution to the problem of the marked imbalance between imports held and exports may well be found in the determination of merchants to retain stocks in the expectation of steady increases in price as fear of wartime scarcities inflated demand. Certain firms did respond in this fashion.<sup>47</sup> However the effect of other factors, outwith the control of the merchants concerned, has been neglected. Importers benefitted through the uniquely large crops and relatively sluggish demand of 1774 and early 1775 and this meant that of necessity they had extensive supplies on hand even at the end of 1775 and by the summer of 1776. Market reports in the summer and autumn of 1774 complained how the French Farmers General, the main European buyers, were offering only 1½d. per lb of tobacco, that crops that season had been huge and that 'every mercatt in Europe ... is full'.<sup>48</sup> Demand nearer home was no more vigorous. One firm noted hopefully that London had 'been

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45. SRO, CE 60/1/9, Account of Quantities of tobacco in the hands of each importer, 5 August, 1776. For a full breakdown of this figure see Appendix V/b.

46. SRO, E.504/15/26-7; E.504/28/25-26. For a full breakdown see Appendix IV/c.

47. See, for example, Stewart, op. cit., 124, 194.

48. SRO, GD247/59/c/1, W. Cunninghame to John Turner, 18 July, 1774.

empty for some time' and therefore might prove a lucrative area but immediately recalled that '... in a few months on the arrival of their shipping it will be full enough of every kind'.<sup>49</sup> Cunninghames observed regretfully that 'we have had no orders from Dublin since last December' and that generally there was 'nothing doing in tobacco' mainly due to 'the French staying firm at 1½ which we imagine they will get exceedingly little'.<sup>50</sup> Dullness in the markets continued far into 1775. Conclusive proof of this is found in the published memoirs of Sir William Forbes whose information wherever it has been tested against an original source has been found to be accurate. Forbes as a Director of the Royal Bank of Scotland, an intimate of John Herries, the French Farmers General agent for tobacco purchase in Scotland and a friend of several of the leading Glasgow merchants, was in an excellent position to judge the situation. His comments are worth quoting in full:<sup>51</sup>

Early in the year 1774, a new struggle took place between Mr. Herries and the merchants of Glasgow who held at that time considerable quantities of tobacco on hand about a small difference in price between what he offered and they demanded. Things continued in this situation till the beginning of 1775 when, instead of improving, they grew worse, owing to the disputes which had by that time begun to take place between Great Britain and the colonies of America, and which threatened to put a stop to all commercial intercourse between the two countries. The merchants instantly took alarm and began to rise in their demands. Herries, who thought, as many others did at that time, that the dispute between the mother country and the colonies would be amicably adjusted, and that the prices of tobacco would ere long return to their former level advised the Farmers-General to wait a little rather than yield to the increase demanded. 52

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49. Ibid.; see also GD247/141, W. Cunninghame to J. Robinson, 13 August, 1774.

50. Ibid., W. Cunninghame to Thomas Gordon, 15 July, 1774.

51. Forbes, op. cit., 27028; ML, Chamber of Commerce MSS, Sir W. Forbes to Patrick Colquhoun, 26 March, 1782.

52. Forbes, op. cit., 45-6.

Thus, due to the recalcitrance of the French buyers in 1774-5, the natural incidence of large crops in these two years and perhaps also to their skill in retaining extensive stocks into 1776, Glasgow merchants were able to reap the rich harvest of boom prices in 1776-7.

For those like the major concerns of Cunningbame, Speirs, Glassfords and Oswalds, with sizeable stocks in these two years the profit could be enormous.<sup>53</sup> As the Caledonian Mercury justly stated -

The loss of the American trade has been of great advantage to that place [Glasgow]. Fortunes will be made by the advance of tobacco and other American goods of which a great store is still on hand. <sup>54</sup>

Merchants made up for the relatively lean years of 1774-5. Speirs, French and Co. calculated that in that period they made 'no profit equal to our debts on remittance ... the tobacco was very mean and would not keep.'<sup>55</sup> So great were profits in 1776-7, however, that Alexander Speirs was able to acquire estates in Renfrew and Stirling totalling over £60,000 in value.<sup>56</sup> The profits of Baird, Hay and Co., a very much smaller unit with a total capital stock of £10,000, had rocketed from £388..3..3½ and £1,706..9..0 in 1773 and 1774 respectively to £2,691..0..4½ in 1776.<sup>57</sup> The most rapid advances took place in the late summer of 1776. By then, incoming cargoes from the rebellious colonies were few and far between, the previous year's stock of the tobacco purchasers had run out and commercial opinion was less ready to accept the inevitability of instant victory. Tobacco which had sold at Glasgow for little more than 3d per lb in September, 1775 was by September,

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53. See Appendix V/b.

54. Caledonian Mercury, July 17, 1776.

55. SL, CSP 190/13, Answers by Speirs, French and Co ... 2.

56. GCA, Speirs Papers, TD131/4, Ledger B; TD131/5, Ledger C.

57. GCA, Journal of Baird, Hay and Co., 1772-1777, entry for 1 March, 1777.

1776 selling for 6d.<sup>58</sup> A month later the price had quadrupled to 2/- per lb and so intoxicated was the Scottish press with the spiralling profits gained on tobacco sales that it was suggested,

the West India merchants of Edinburgh and Glasgow should advise their correspondents to plant that article there, as it would afford a far greater profit to the planter than sugar and rum and the sale is quick and certain. 59

In August, 1777, Glasgow merchants 'sold a great quantity of tobacco to the French at a very great price'. A gross figure of £150,000 was quoted as the month's return on the sale.<sup>60</sup> There was now no restraint on selling: the total of 14,040 hogsheads on hand in August, 1776 had sunk to a mere 670 hogsheads by February, 1778.<sup>61</sup> Merchants were selling existing stocks: only about 86 hogsheads had been imported into the Clyde throughout the whole of 1777.<sup>62</sup> About 2,920 hogsheads were exported from the Clyde to overseas markets (including Ireland). The vast bulk, totalling over 13,000 hogsheads was sent to market in England or was consumed in Scotland. Of the tobacco exported France took 1,159 hogsheads, Irish ports 1,159, Holland 167, and other areas such as north Germany, Portugal and Norway 139 hogsheads. Profit was highly concentrated; the three giant groups, Cunninghames, Speirs and Glassfords, together with Dinwiddie, Crawford and Co., exported no less than 2,512 of the total of 2,926 hogsheads.<sup>63</sup>

There is further evidence of the fact that the domestic market was proving more attractive at this time to merchants in what had been traditionally

58. Edinburgh Evening Courant, 4 September, 1776.

59. Ibid., 20 November, 1776.

60. Ibid., 30 August, 1777.

61. SRO, CE, 60/1/10, Account of tobacco remaining in merchants' hands at Greenock and Port Glasgow, 4 February, 1778. For a full breakdown see Appendix V/c.

62. SRO, E.504/28/27-8; E.504/15/27-8; see Appendix IV/D.

63. Figures calculated from SRO, E.504/28/27-8; E.504/15/27-8; a detailed breakdown can be examined in Appendix V/A.

a re-export trade. Almost certainly European markets were not feeling the pinch as much as the domestic sector since rebel vessels transported tobacco to Dieppe, Bordeaux, Rotterdam, Eremen and Hamburg throughout the war.<sup>64</sup>

Alex. Houston and Co. observed in late 1777 how,

tobacco is now becoming scarce with us in so much that people are bringing back part of what they had shipped to foreign markets.<sup>65</sup>

Stocks of tobacco in London were almost exhausted by the summer of 1777 and Glasgow merchants hoped to make a coup there. They petitioned the Government to allow them to bring back tobacco exported to France for sale in the capital, because, according to a correspondent, 'by which means they imagine they shall sell off their large stocks of an inferior sort of tobacco to London traders and that after the rate of 2/- per lb'.<sup>66</sup> So scarce had tobacco become that 'the meaner sort' previously exported to the continent was now fetching exorbitant prices in the capital.<sup>67</sup> Prices in the European market by the end of 1777 were so relatively stagnant that it paid merchants to ship tobacco back to the Clyde. In the spring of 1778, 325 hogsheads exported by Speirs, Crawford and Co. to Dunkirk were returned 'for want of sale';<sup>68</sup> 200 hogsheads and 91 hogsheads respectively owned by Cunninghame, Findlay and Co. and Dinwiddie, Crawford and Co. returned from Rotterdam for the same reason.<sup>69</sup> In the period April-October, 1778 the Cunninghame group shipped back 648 hogsheads from Rotterdam and Hamburg.<sup>70</sup>

While emphasising the very real gains made in this period one must

64. Edinburgh Evening Courant, 5 May, 1777. Caledonian Mercury, 7 Aug., 1782.

65. NLS, MS8759, Alexander Houston and Co's Home Letter Book H, A. Houston and Co. to John Turris (Dunkirk), 9 December, 1777.

66. Caledonian Mercury, 9 June, 1777.

67. SRO, CE 60/1/10, Collector to H.M. Board of Customs, 3 November, 1777.

68. SRO, E.504/28/28.

69. Ibid.

70. SRO, E.504/28/29.

keep the degree of success in firm perspective. Contemporary commentators saw the spiralling price of tobacco in U.K. markets but generally failed to take notice of the high prices which had been paid for such tobacco in the seller's market of Virginia and Maryland in the late summer and early autumn of 1775.<sup>71</sup> Again heavy importations within such a short period could only occur in a context of rising transport costs and substantial cash outlays to pay for at least part of the crop. Furthermore, the spectacular profits were likely, by and large, to remain with the giant companies whose capital base and credit worthiness could withstand the strain on cash resources demanded by the 1775 situation and which could afford to wait until prices rose. It ought also to be noted how short-lived was the bonanza. As early as April, 1777 complaints were being made that the price of tobacco was falling, 'owing, it is said, to their having no demands for that commodity from foreign markets'. It was calculated that the fall had been something of the order of 2d a lb and 'another fall is expected to take place soon'.<sup>72</sup> William Cunninghame, in July 1778, was proclaiming that so low were French prices that he did not think he could do any business with them and according to him John Glassford was of a similar opinion.<sup>73</sup> By the end of that year, not even domestic demand could keep up prices; Alex Houston and Co. responded to a suggestion to develop a tobacco trade from the Caribbean with the statement that 'mean and ordinary tobacco is in no demand at any price...'.<sup>74</sup> Prices did show a partial recovery in 1779-80 and by the autumn of 1781 were very buoyant again. Alexander Speirs wrote in October of that year, that

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71.. Vide supra, 183.

72. Edinburgh Evening Courant, 30 April 1777; see also NLS, MS8793, A. Houston and Co to Messrs Houston and Paterson, 5 June, 1777.

73. SEO, GD247/59/0/2, Cunninghame to R. Dummore, 2 July, 1778.

74. NLS, MS8794, A. Houston and Co. to John Morgan, 7 December, 1778.

'our price of tobacco gets up very high' and opined that not only this commodity but also coffee and cotton 'have lately advanced higher than could be expected.'<sup>75</sup> The first few months of 1781 were not as prosperous for the tobacco importer, however; as one merchant house commented,

... the market has been quite at a stand for several months past, occasioned chiefly by the news of Lord Cornwallis's victory at Camden, General Arnold's revolt from the Americans, the large importation here and other circumstances. <sup>76</sup>

1782 and 1783 were similarly affected by the imminence of peace. Price of tobacco fell from early 1782. By the middle of the year increased duty and rising freight charges boosted costs and thus the selling price of tobacco 'so high that the common people which is consumers in general can buy only very sparingly'.<sup>77</sup>

It is in the context of fluctuating markets that the experience of tobacco traders from 1777 until the end of the war will be examined.

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75. GCA, Speirs Papers, TD131/9, Speirs, French and Co. to J.G. Martins, 11 October, 1781; to Robert Burton, 29 October, 1781. The final few months of 1780 were poor for tobacco sales (NLS, MS 8793, A. Houston and Co. to David Macfarlane, 14 December, 1780) because of hopes for peace after Cornwallis's victory at Camden.

76. NLS, MS 8794, A. Houston and Co. to Alexander Houston (Grenada), 15 January, 1781.

77. GCA, TD131/9, Speirs, French and Co to R. Burton, 28 January, 1782, 1 July, 1782.



## II

In September, 1775 the American ports were shut by order of Congress and this action according to a leading Glasgow firm, 'effectually prevented the merchants in this country from bringing home any goods'.<sup>1</sup> The following December, the Virginia House of Delegates passed a resolution providing that foreign merchants should depart within forty days and 'in the meantime, they were not to be hindered in their passage'. If they were unable to secure passage to a foreign port, the vessels of 'the commonwealth' should be employed to deport them. Any merchant coming under the description of this act, found in Virginia 'after the time for his departure', was to be confined as an enemy. These regulations were to become effective from 1 January, 1777.<sup>2</sup> It was likely that this act would be given full support by the planter class in Virginia. Apart from the embarrassment of their outstanding debts with 'foreign merchants', the decades of resentment against 'that stinking and troublesome weed' the Scots storekeepers and factors could spill over into practical action.<sup>3</sup>

Even before the outbreak of war physical intimidation was common. As early as November, 1774 it was said that a Scotsman in Virginia was 'in danger of his life (at least of being tarred and feathered) if he says a word that does not please them'.<sup>4</sup> A month earlier one Scottish expatriate noted,

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1. SL, CSP 190/13, Replies for Messrs Speirs, French and Co., 19.
  2. Henning, Statutes of Virginia.
  3. Virginia Gazette, 31 October, 1771; for a discussion of this resentment see Saltow, loc. cit.
  4. Caledonian Mercury, 22 November, 1774.

The Glasgow factors seem to be great objects of their resentment, the case is plain; to them they owe the money, some of them have been roughly handled ... James Dunlop, son of Mr. William of Glasgow ... who resides at Port Royal refused to sign the association, a mob gathered soon and put it in his option to be hanged, have his store-house burnt or sign. 5

In spite of the obvious dangers there was no immediate and rapid exodus by Glasgow factors from the colonies. Certainly many did leave as soon as rebellion occurred. David Macpherson observed that the loyalists of South Carolina, Georgia and Florida went mostly to the West Indian islands, 'the climate and productions of which were more adapted to their constitutions and former pursuits ...'.<sup>6</sup> William Cunninghame embarked for the Clyde in August, 1776; his 'young men' were given 'annual discharges' from the company and were being sent home from the various stores.<sup>7</sup> The whereabouts of 'foreign merchants' were rigorously investigated<sup>8</sup> and gradually most were expelled. There is little doubt, however, that factors and storekeepers, in response to company orders were biding their time before shutting up shop. The reason was simple: as has been emphasised above, few expected the rebellion to last more than a few months. The storekeepers of the Cunninghame group with posts at Richmond, Falmouth, Dumfries, Petersburg, Halifax, Mecklenburg, Fauquier, Culpepper, Fredericksburg and Rocky-ridge,

notwithstanding of their situation being very disagreeable remained at their establishments in their provinces in consequence of the general belief that peace would be restored in the course of a year or at the most two years. 9

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5. NLS, MS 5028, Charles Stewart Letterbooks, 1773-4, James Parker to C. Stewart, 29 September, 1774.

6. Macpherson, *op. cit.*, IV, 36.

7. SRO, GD 247/59/0/1, Walter Celguoboun to James Robinson, 7 June 1776; W. Cunninghame to James Robinson, 13 August, 1776.

8. *Ibid.*

9. PRO, AO 12/56/285-6.

They were expelled in pursuance of the December 1776 order of the Virginia Assembly.<sup>10</sup>

The factors in Maryland were obliged to leave in September, 1776, because of the passage of an Act obliging all residents to take an Oath of Allegiance to the State. Yet even then the firm's interests in the two colonies were not completely run down. As late as September, 1776 Colin Campbell was supervising affairs at the company's main store in Dumfries.<sup>11</sup>

A majority of the Scots factors wanted to remain in the state as neutrals; one Charles Duncan, a merchant near Petersburg, explained that his purpose was to sell merchandise not to meddle in politics.<sup>12</sup> Clearly some did remain; there is solid evidence that Scottish merchants were resident in Richmond and Petersburg throughout the war, either as a result of taking an oath to Congress, declaring their neutrality to the satisfaction of the Citizenry or because they satisfied a specific economic need in the local community.<sup>13</sup>

In the first two years of war, at least, Glasgow merchants, while accepting the inevitability of the speedy defeat of the rebellion, were clearly eager to retain commercial contact with Virginia and Maryland. This attitude is manifested too in their approach to the wider political problem of the war. In January, 1775 'the trade of Glasgow' had subscribed a petition to Parliament demanding that Government adopt a more generous policy towards

10. Ibid.

11. SRO, GD247/59/C/1, Colin Campbell to James Robinson, 2 September, 1776.

12. Virginia Magazine of History and Biography xiv, 395.

13. Samuel Mordecai, Richmond in Bygone Days, Ch. II, passim. PRO, AO 12/9/49. Some merchants, in spite of non-importation, still had large stocks on hand in their stores and would be desirous of selling these. See SL, CSP 190/13, 'We have large quantities (of stores) on hand at our stores'. Speirs, French and Co to G. Sherriff, 15 June, 1775.

the grievances of the colonists.<sup>14</sup> In a letter addressed to 'the Merchants and Manufacturers of Glasgow concerned in the American trade', 'Mercator' emphasised the need for 'the whole trading interest of the nation' but, in particular, that of Glasgow, to come out in direct opposition to the 'Unnecessary and oppressive acts' passed by Parliament in the previous year against the American colonists.<sup>15</sup> The repeal of these acts, the writer added, was essential if the American trade was not to be interrupted; for such an occurrence would prove 'the ruin of the trading City of Glasgow ... and involve all Scotland in its consequences.'<sup>16</sup>

The merchants of Glasgow did not require to be reminded where their financial interest lay. In late 1775 the Magistrates and Council of Glasgow had assembled, at the same time as their colleagues in other Scottish burghs, to sign the customary oath of loyalty to the King 'in the midst of this present rebellion'. The proceedings were, however, disturbed by 'several American merchants' who remonstrated 'in very strong terms against such a course' and declared that if such an address were to be sent to London, they would sign a counter-petition 'begging that an end may be put to the present unnecessary, unnatural and ruinous war'. The protestors had their way; no address was sent and in this respect Glasgow was unique among the burghs of Scotland.<sup>17</sup> Only two years later, with hopes of a rapid victory considerably dimmed and with the spectre of a French entry into the war on the horizon, did Glasgow adopt a more patriotic stance.

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14. Edinburgh Evening Courant, 1 February, 1775; Caledonian Mercury, 21, 25, 28 January, 1775.

15. Caledonian Mercury, 14 January, 1775.

16. Ibid.

17. Caledonian Mercury, 11 October, 1775; Scots Magazine, December, 1775.

Even then it was only 'after arguing sometime on the matter' that the Town Council agreed that,

considering the present situation of affairs in America it was ... unanimously resolved and agreed upon that the City of Glasgow would give their aid and assistance to Government at this critical time in order to enable them to quell the said rebellion. <sup>18</sup>

Practical action was taken with the formation of the Glasgow Regiment in early 1778 and with the departure of Robert Donald, Lord Provost, and Duncan Niven, the Deacon Convener of the Incorporated Crafts, to London to present the loyal address. <sup>19</sup>

As the war dragged on, Glasgow factors and storekeepers in the colonies gradually adapted themselves to the situation. They wished to enable their firms to carry on a continued, albeit indirect and severely limited, trade in tobacco. Legislation had already been passed against their persons in 1775; in the following years their property was similarly treated. By an act of the Virginia Assembly in March, 1778 all 'lands, slaves, stocks and implements ... within this commonwealth together with crops now on hand' belonging to British subjects were to be sequestered into the hands of a Commission appointed by the Governor and Council of the State. <sup>20</sup> This was to have the power,

by suits or actions to be brought in the names of the proprietors to receive and recover all sums of money hereafter to fall due to the said proprietors of such estates, to direct by agents, stewards or owners, the management of the said estates to the best advantage, to provide out of

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18. GCA, Town Council Minute Book, C1/1/36/28, 25 December, 1777.

19. Ibid., C1/1/36/29-37, 29 December, 1777; 9 January 1778. Town subscribed £1000 to the Regiment and offered burgess status to those who joined, Glasgow Mercury, 8, 29 January, 1778; J.B. Anderson (ed.), Burgess and Guild Brethren of Glasgow (1751-1845), Introduction.

20. Edinburgh Evening Courant, 13 June, 1778, Reprint of 'an Act for sequestering British property'.

the monies so received and recovered and the crops and profits now on hand for the maintenance, charges, taxes and other current expenses of such estates in the first place. <sup>21</sup>

In 1780 the sequestered property was ordered to be sold by public auction in response to 'the great losses and damage' suffered by the colonials at the hands of the British armed forces and to help pay for the increasing burden of war expenses. <sup>22</sup> In that year, the stores and other properties of Neil Jamieson, John Brown, John Dallantyne, William Cunninghame were auctioned and sold at Norfolk. <sup>23</sup> When property in Mecklenburg County was sold for £29,032 in February-March, 1780 Dinwiddie, Crawford and Co and William Cunninghame and Co. were the main sufferers. <sup>24</sup> The state government took over several of the stores owned by Glasgow merchants to use as official buildings. The property of John McDowall was set aside for the auditor's office, that of Speirs, French and Co. for the use of the Treasurer. Until the state capital was completed in 1789 the Virginia Assembly met in a house that formerly belonged to W. Cunninghame and Co. Four hundred and twelve acres in Prince Edward County, owned by Speirs, French and Co., were given to Hampton and Sydney College. <sup>25</sup> Merchants also lost shipping as a result of hostilities. A new brig, belonging to Robert Dunmore and Co. of 230 tons burden, was burnt during the evacuation of Norfolk and the same company had had two sloops destroyed by the Earl of Dunmore in Chesapeake Bay. The total loss amounted to £1,920. <sup>26</sup>

By an Act of 1780, the U.K. Parliament appointed commissioners to

21. Ibid.

22. Scots Magazine, XLIV (1781), 651-653.

23. Ibid., XLII (1780), 634.

24. I.S. Harrell, Loyalism in Virginia (Durham, North Carolina, 1926), 95.

25. Harrell, op. cit., 95-100.

26. PRO, AO 12/74/173.

inquire into the claims of all persons who 'have suffered in their rights, properties and professions, during the late unhappy dissensions in America'.<sup>27</sup> The records of the subsequent 'Loyalists' Commission' give a full breakdown of the firms' own estimates of their losses.<sup>28</sup> Even although, as the differences between submission and award indicate, merchants were likely to exaggerate their fixed property losses, one is impressed by the size of the sums involved. Of eighteen firms who petitioned, ten estimated their loss at over £2,000, three at over £5,000 and two at over £10,000; three estimates were for under £1,000.<sup>29</sup> The fixed property of the Glasgow companies mainly consisted of stores. These were often elaborate and extensive in construction, commonly consisting of a brick house with warehouses, shops, barns and farms (thus their attraction for the Virginia state administration).<sup>30</sup>

Farmer storekeepers and factors began to move to areas, especially after 1777, in which supplies of tobacco could be obtained. Orders were sent out from the headquarters of firms in Glasgow directing factors to specific ports. Speirs, French and Co wrote to one of their former storekeepers in Maryland, Robert Burton, to proceed to the British West Indian islands in March, 1779 to make purchases of tobacco and sugar. He was permitted to draw on them for £10,000 and if unsuccessful in the British islands was to try and obtain supplies in Dutch or Danish islands.<sup>31</sup> By 1780, Burton was well established and had begun to send home tobacco.<sup>32</sup> Many

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27. 23 Geo III c LXXX (1780).

28. PRO, AO 12-13.

29. Ibid., see Appendix V/A for a full breakdown of these figures.

30. Price, loc. cit., 310. See SRO, GD247/59/Q/1 for an inventory of the furniture and equipment of W. Cunninghame and Co's stores.

31. SL, CSP 190/13, Speirs, French and Co. to Robert Burton, 10 March, 1779.

32. GCA, Speirs Papers, TD131/9, Letter Book of Alexander Speirs, Oct., 1781 - May, 1789, passim.

merchants sought safety 'in the back country' or with the British Army in the North, informing their parent houses in Glasgow that goods ordered to be sent to Virginia be delivered there.<sup>33</sup> A recent calculation has estimated that 112 Scottish 'merchants' opened shops in Philadelphia when British troops occupied the city.<sup>34</sup> Certainly, the period after 1777 showed demonstrable increases in trade through this port to Glasgow.<sup>35</sup> Thomas Reid, agent in Northumberland County for McCall, Dennistoun and Co., received notice of the expulsion act in December, 1777; he then reduced his dealings in as clear a form as possible, taking bills, bonds and notes in settlement. Lists of balances were made out and if possible the debtor was induced to acknowledge, though not pay his debt. With an obvious concern for secrecy, Reid placed the company's papers 'in an old box in an old house' and left for New York where he set himself up as a purchaser of prize tobacco for the firm.<sup>36</sup>

Neil Jamieson of Glassfords was 'strongly solicited' to pledge his support for Congress but 'remained steady to his principles, to what they called a Tory'.<sup>37</sup> His company allowed him the luxury of adhering to his principles but at the same time appointed Robert Ferguson, who without scruple in 1779, proclaimed himself a loyal American and by so doing, according to Glassfords, 'did save a great deal of the property belonging to the Company'.<sup>38</sup> Jamieson was hardly less able in adjusting to the new

33. Harrell, op. cit., 48.

34. W.H. Siebert, 'The Loyalists in Pennsylvania', Ohio State University Bulletin, XXIV, 23-45.

35. Vide infra, 150-1.

36. Harrell, op. cit., 72.

37. PRO, A0 12/55/46.

38. PRO, A0/12/9/35.



situation. After managing to escape on board a Royal Navy ship, he proceeded to offer the commander of the Navy at New York, Lord Dunmore, the chance of financing provision purchase for his crews by drawing on Glassfords. Dunmore did so for more than £30,000 which Jamieson remitted to London to the House of Edward and Rene Bayre on the account of himself and his fellow partners in Glasgow.<sup>39</sup> So crucial was Jamieson's capital to the British war effort at this juncture that 'the heads of the parties in opposition to Government' tried to attract him away from assisting Dunmore by suggesting that his losses in Virginia would be made good. Jamieson, like the staunch Loyalist he was, instantly refused, 'no earthly consideration could induce him to become an enemy to his King and Country'. There were clearly other methods of making high profits in 1776-7 apart from the selling of tobacco at wartime prices.<sup>40</sup>

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39. PRO, AO 12/55/47.

40. PRO, AO 12/55/49-55.

## III

Both contemporary commentators and nineteenth and twentieth century historians have tried to estimate the amount of debt outstanding to Glasgow merchants from North America when rebellion occurred in 1775. The Caledonian Mercury thought that more than £500,000 sterling had been recovered from the colonies by 'the activity and prudence' of the storekeepers and as a result of their endeavours, the sums 'now owed' were 'very trifling'.<sup>1</sup> David Macpherson thought that because of 'the friendly terms on which they [the factors] generally were with the planters, they were enabled to make large remittances to their constituents'; yet Macpherson doubted whether debt collection had been comprehensive and suggested that 'very large sums still remained due'.<sup>2</sup> The public estimates by merchants of debt due are highly questionable, given the inevitable element of exaggeration and special pleading likely to be contained in them. Doubt in this regard is borne out by the variety in such estimates in different petitions between 1775 and 1812. At the beginning of 1775 Glasgow tobacco merchants in a petition to H.M.s Government pointed out that 'in effects belonging to them and in debts due them' they had owing them from the colonies 'one million and upwards'.<sup>3</sup> In presenting this total they might well have had in their minds their last successful bid to pacify relations between colonies and

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1. Caledonian Mercury, 19 August, 1775. This newspaper estimate is the one commonly accepted by modern economic historians; (Robertson, loc. cit. Hamilton, Economic History, 269; S. Shapiro, Capital and the Cotton Industry in the Industrial Revolution [New York, 1967], 173). Yet since contemporary journals were infamous for their extremes of hyperbole and since the writers in question suggest no supplementary evidence to reinforce the Mercury's viewpoint, further investigation is certainly required.

2. Macpherson, op. cit., III, 581.

3. Edinburgh Evening Courant, 1 Feb., 1775; Caledonian Mercury, 1 Feb., 1775.

mother country during the Stamp Act crisis. John Brown of Lanfine, himself related to the Bogles, one of the great tobacco families, acknowledged that 'the true reason' for the repeal of the Stamp Act was 'the great sums owing by the Americans to Great Britain which made it improper to execute the law at that time ....'<sup>4</sup> By 1794, Glasgow's estimates had rocketed to £3 mill., a figure which included nineteen years accrual of interest.<sup>5</sup>

The modern investigator is thus presented with two diametrically opposed contemporary judgements. Discussion must therefore proceed with an analysis of merchant ledgers - where this is possible - and with an examination of the possibilities of extensive debt collection given the commercial and legal context of the pre-1775 tobacco trade.

The Cunninghame group of companies appears to have had the largest ascertainable debts. In 1775 William Cunninghame and Co. were owed, after deduction for bad debts £95,200, Cunninghame, Brown and Co. £1,154 and Cunninghame, Findlay and Co. £14,940.<sup>6</sup> By eighteenth century standards the gross total of £111,300 represents an enormous sum. Reference to some of the debts due to other major companies has been found, but only the accounts of Colin Dunlop and Sons presented a comprehensive picture. Their 'subject' in Virginia and Maryland, exclusive of fixed property owned, calculated in October, 1776 stood at £24,041.18..7<sup>7</sup> A contemporary accountant suggested that the adjective 'immense' might well be attached to this sum.<sup>8</sup> In a legal attestation of Neil Jamieson's funds in 1793, it was noted that around £20,000 was owed to John Glassford and Co. in 1776 and this did not include debts owed

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4. ML, Bogle MSS, XCI, John Brown's Recollections, I, 112-3.

5. S.F. Bemis, Jay's Treaty, a Study in Commerce and Diplomacy (New York, 1923), 315.

6. PRO, AO 12/56/285-8.

7. GCA, Dunlop Papers, State of James Dunlop's subjects, 23 March, 1793.

8. SHO, UP 1 Currie Mack D/5/14, Petition of Gilbert Hamilton ... 10 January, 1798.

to the related concerns of Glassford, Gordon and Co., Henderson, McCall and Co. and Archibald Henderson and Co.<sup>9</sup> Robert Dummore who had interests in the Virginia firms of Logan, Gilmour and Co., in addition to his West India connections, put his company's debts at somewhere between £15,000 and £20,000.<sup>10</sup> Speirs, French and Co. had £30,000 of uncollected debts due them in 1775.<sup>11</sup> When Alexander Speir's interests in Speirs, Crawford and Co is taken into consideration, total debt owing the Speirs group was £46,510..11..9.<sup>12</sup> One lesser concern, Baird, Hay and Co. who only imported 41 hogsheads of tobacco in 1774 (out of a total Clyde importation of 31,090) had yet owing them the formidable sum of £16,100 from Virginia in 1776.<sup>13</sup>

Other firms made reference to the debts owed by the planters of Virginia and Maryland in more general terms; William Scott blamed 'the American troubles' for locking up a 'vast part' of the funds of Bogle, Scott and Co 'as is the case with many others'.<sup>14</sup> James Somervell, partner in Bogle, Somervell and Co, foresaw that in 1776 'their funds being locked up in America it would be a difficult matter for them to pay their debts'.<sup>15</sup> The testaments of George Kippen, John McCall and William French reveal the constant reiteration of 'debts due to the said Company in the states of Virginia and Maryland in North America'.<sup>16</sup> George Kippen and Co. had at least

9. SRO, GD237/151/3, State of funds of Neil Jamieson, 1793.
10. SL, CSP 369/3, Petition of Robert Dummore of Ballindalloch ...; SRO, GD237/151/3, State of Robert Dummore's subjects, 26 January, 1797.
11. SL, CSP 190/13, Petition of Messrs Speirs, French and Co. 21 January, 1780.
12. GCA, Speirs Papers, TD131/13, Sederunt Book of A. Speir's Trustees, 5; TD131/5, Ledger C, 28.
13. SRO, E.504/28/23-4; E.504/15/23-4. See Appendix IV/a; GCA, Journal of Baird, Hay and Co.
14. ML, Bogle MSS, Dundle 54, W. Scott to George Dogle, 29 November, 1780.
15. SRO, UP 1 Currie Dal B/5/8, Petition of Thos. Buchanan and Co. (1778).
16. SRO, CC9/7/79 (G. Kippen); CC9/7/82/150, (W. French); CC9/7/79/650.

£10,000 owed in bond by four leading Virginians.<sup>17</sup>

Enough has been said to indicate that the Caledonian Mercury's use of the epithet 'trivial' to describe Glasgow's debts was inaccurate. It is difficult to be more exact than this about the gross total owed Glasgow in 1776. At a private meeting of tobacco merchants held in the city in March, 1778, various firms presented from their own accounts the sums owed them. The debt totals from this meeting were discovered in the diary of Alexander Speirs:<sup>18</sup>

TABLE 21

Estimates of Glasgow Debts in North America, 1778

Debts and effects in Virginia:	£719,038
" " " " Maryland:	155,810
" " " " North Carolina:	29,924
" " " " Undistinguished:	401,313
	<u>£1,306,085</u>

During the Stamp Act crisis in the 1760s John Glassford, testifying before a Select Committee of the House of Commons, estimated that the gross total was somewhere around £500,000.<sup>19</sup> Importations of tobacco then averaging about 25,000 hogsheads<sup>20</sup> per annum had certainly increased since but even in 1775 they were only running at a little over 29,000 hogsheads.<sup>21</sup> There had been no triple expansion of the trade since Glassford's estimate (almost certainly erring on the side of over-exaggeration) which might serve to explain the dichotomy between his figure and that of the merchants in 1778. In addition, merchants, especially after the 1772 depression, were going out of their way

17. P.J. Ford (ed.), The Writings of Thomas Jefferson (New York, 1892-99) IV; 348.

18. GCA, Speirs Papers, TD131/10-12, Diary of Alexander Speirs, March 2, 1778.

19. BM, Add. MS. 33030/31.

20. Ibid.

21. Appendix I/B.

to cut back credit in so far as the nature of the trade allowed.<sup>22</sup>

Relatively exact figures are only available for three of the firms classified as tobacco importers by H.Ms. Collector of Customs for Greenock and Port Glasgow in 1776.<sup>23</sup> On the basis of information extracted from the records of two of these - the giant Cunninghame and Speirs groups - it might be suggested that at least a crude measure of Glasgow's debts can be given. These two units imported 6,105 hogsheads and 3,950 hogsheads respectively.<sup>24</sup> The total of 10,005 represents just over one-third of the gross total of 29,330 hogsheads imported into Port Glasgow, Jan. - Dec., 1775 and into Greenock, Jan.-Oct., 1775.<sup>25</sup> Taking the sum of debts owed these two - £158,000 in round figures - and multiplying this by three gives a figure of £474,000 as total debt owed Glasgow in 1776. Such a calculation however contains the fallacious premise that debts varied proportionately with extent of imports. This was clearly not the case. One example illustrates this. Baird, Hay and Co's debt of £16,000 represents about one-seventh of the Cunninghame total yet in 1774 they only imported about 0.011 per cent of the volume of tobacco landed by the giant group.<sup>26</sup> Not all firms had a uniform experience in debt collecting and only if such uniformity were accepted could even an approximate correlation be made between the extent of debt and the size of a company as defined by its annual import. The many variables implicit in elements such as the personal competence of factors, the credit worthiness of the planter-customers of respective companies and the sympathy of the courts

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22. Vide infra, 106.

23. SRO, CE 60/1/8, Collector to H.M. Board of Customs, 5 August, 1776.

24. SRO, E.504/28/24-5; E.504/15/25. See Appendix I/B.

25. Ibid.

26. Appendix IV/a. 41 hogsheads were shipped by Baird, Hay and Co. as opposed to 5,018 hogsheads by the Cunninghame group.

when debt actions were taken up and the willingness of merchant houses to prosecute debtors, must destroy any likely uniformity.

As interesting (and perhaps as insoluble) a problem as the extent of debt is the degree to which sums owed in the early 1770s were reduced by the efforts of factors and storekeepers in the few years previous to the outbreak of the rebellion. This second question will now be examined.

Efforts were made to restrict credit to colonial customers in the early 1770s. The severe depression of 1772 made various firms feel that the commercial structure on which Glasgow's superiority in the tobacco trade had been based had become excessively vulnerable. Whatever the reality of the debt position, the successive crises in British colonial relationships from the early 1760s crystallised the awareness of Glasgow opinion that the nature of the trade had resulted in an immense sum due the city from Virginia and Maryland. 'The town of Glasgow' thought the city banker, John Brown jun, in 1766, 'reckoned itself to have been owed £1,000,000 sterling.'<sup>27</sup> Professor Thomas Reid noted with dismay in 1765 the serious situation developing in the colonies and estimated the city's effects there at 'above £400,000'.<sup>28</sup> At the same time as the extent of debt came to be realised, merchants were pointing out the great difficulties involved in its speedy liquidation. John Glassford, declared in evidence to a House of Commons committee in 1768 that, on average, 'payment fell not so much short of four years.'<sup>29</sup> In answer to a question on the prospect of debt recovery, he replied pessimistically that this was 'uncertain' and that 'if these Circumstances continue we may be unpaid'.<sup>30</sup>

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27. ML, Bogle MSS, XCI, John Brown's Recollections, I, 112-13.

28. A. Hamilton (ed.), Works of Thomas Reid, I, 43.

29. IM, Add. MSS 33030/32.

30. IM, Add. MSS 33030/35.

At different times in the early 1770s policies of retrenchment were attempted. William Cunninghame in April of 1772 urged his chief factor in Virginia 'to force payment of many of our overgrown large debts'.<sup>31</sup> In July, instructions expressing the need for financial stringency predominated,

We shall send you all very scanty supplies next year that you may not only get clear of old goods on hand, but have more dependance on receiving payments of your debts.<sup>32</sup>

The same sentiments were a constant refrain in the correspondence of other Glasgow merchant houses.<sup>33</sup> Whatever the practical results of this policy of restraint efforts were not confined to the depression year of 1772. In 1774, Cunninghame was devising a grand strategy of debt collection but was 'at a loss how to advise' what would be the most effective method.<sup>34</sup> He feared, he wrote to James Robinson, that 'do it in what manner you will, it will cause much fear and disturbance amongst the people'.<sup>35</sup> Certainly no stranger should be employed in settling debts; instead an assistant ought to be spared from each of the stores 'who is acquainted with the people ... the people would be better satisfied by assurance of time and partial payments from a person they know and have been used to deal with'. Careful measures were to be taken in order that the planters should not suspect that the company was undertaking such activities 'of necessity ... or the Company being in the least distress'.<sup>36</sup> No goods were to be sold to any person who could not make payment in twelve or fifteen months; the purchase of illiquid assets was to be avoided.

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31. SRO, GD247/59, Letterbook of William Cunninghame and Co., Glasgow Merchants, W. Cunninghame to James Robinson, 2 April, 1772.

32. SRO, GD247/58/0, Cunninghame to Robinson, 1 July, 1772.

33. Price, *loc. cit.*, 311.

34. SRO, GD247/59/S, W. Cunninghame to James Robinson, 14 August, 1774.

35. *Ibid.*

36. *Ibid.*



Remember we allow you only one horse - the other is to be immediately sold. You are on no account to purchase lands, build houses, purchase negroes, horses, cattle, hogs etc. <sup>37</sup>

A more difficult problem is how to evaluate the success of these and similar measures undertaken by other merchant firms. Certainly, whatever the level of the Cunninghame group's success, they were still left with a formidable debt of over £111,000 in 1776.<sup>38</sup> There were indeed enormous obstacles in the way of debt collection. Given the nature of the trade, instant debt recovery seemed impossible. In 1769 James Dunlop the elder's trustees spoke of 'the difficulty of recovering the funds situated in Virginia';<sup>39</sup> this was before war tensions made the state courts even less amenable to debt actions brought by Scotsmen.<sup>40</sup> The importation of tobacco by the 'store system' demanded a considerable investment in credit to planters.<sup>41</sup> Given this fact, it was argued that speedy reduction of debt was very difficult, especially as the trade itself was expanding and generating new debts and more credit extension as the old debts were liquidated. As a contemporary lawyer pointed out,

Every one who is acquainted with the trade, must know that this was unavoidable: for it is impossible at any one time, to get more out of the debts due by the planters than about a fourth part. They have credit at the several stores with which they deal for four years produce, and they never can deliver more than the produce of one year.<sup>42</sup>

A second major problem was the nature of the debts. John Glassford

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37. SRO, GD247/159/C/1, W. Cunninghame to John Johnstone, 15 July, 1774.

38. PRO, AO 12/56/288.

39. SL, CSP 155/8, Information for Messrs Thos., Peter and William Bogle, 15 October, 1769.

40. Vide infra, 210-12.

41. Vide supra, 121-2.

42. GCA, Dunlop Papers, Additional Observations for James Dougal against Elizabeth and Barbara Cunninghame ... 2.

considered in 1768 that some were for large sums but the vast majority were for relatively small amounts, most for under £30 sterling in individual accounts.<sup>43</sup> Debts to William Cunninghame and Co. were almost all under £10, relatively few for as much as £100.<sup>44</sup> One estimate suggests that in the early 1770s about 31,000 individual accounts were due to stores belonging to 37 firms in Virginia.<sup>45</sup> The successful liquidation of these would imply a major administrative operation carried out not in an atmosphere of relative good will but in one of explicit hostility to the Scots factors. The agricultural economy of Virginia and Maryland in the colonial era, suffering as it was from profound scarcity of specie,<sup>46</sup> was simply unable to cope with extensive repayment of such debts. As one merchant confided to his brother in 1759, 'They [debts] commonly are endless - the debts are so small and numerous that it requires posterity to finish a concern'.<sup>47</sup> Glasgow merchants unfortunately in the 1770s did not have such a length of time at their disposal and in the situation of the first few years of that decade their task was made more difficult by the recalcitrance of the colonial courts.

The American planter was 'infamous for his delinquency over debt repayment. David Loch echoed the sentiments of many Glasgow creditors,

I have been twice to America, and traded considerably to different parts of it, but not to advantage as I could not get payments. I have, at present, several hundred pounds due me there, which I would willingly give a right to for as many hundred pence.<sup>48</sup>

43. BM, Add. MSS, 33030/32.

44. PRO, AO 12/56/188.

45. Price, *loc. cit.*, 2.

46. For this see Glasgow Mercury, March 29, 1781, 24 June, 1784.

47. Quoted Voke, *loc. cit.*, 5.

48. David Loch, Essays on the Trade, Manufacturers and Fisheries of Scotland (Edinburgh, 1778) Supplement, 125.

John Lawson, a Glasgow merchant had been in partnership with one John Semple, in a tobacco concern in Maryland. Semple had acted as superintending factor of the business in Maryland but had died in early 1772.<sup>49</sup> Lawson travelled to America to wind up the concern, expecting to leave after completing his business by the autumn of 1772.<sup>50</sup> In April, 1774 he was still in Maryland and writing in some despair that he had not yet collected a large enough proportion of the firm's total debts to satisfy creditors in Glasgow.<sup>51</sup> Planter stubbornness, aided and abetted by the colonial courts had hindered him. When he finally arrived in Scotland in the autumn of 1774, he brought back only those debts sufficient to repay Scottish creditors; the remainder - the majority - he adjudged irrecoverable in the present state of affairs.<sup>52</sup> One Glasgow man put the colonial 'ingenuity to procrastinate a just debt' down to 'a distemper, peculiar to the climate';<sup>53</sup> he might more accurately have suggested that the chronic indebtedness of all colonial economies to their mother country was a measure of the extreme shortage of working capital which was essential for full-scale plantation exploitation.

In the event of non-payment, the only recourse left to a merchant was to take a debtor to court. Most debtors' suits before the 1770s were filed in the Hastings Court at Williamsburg which under the influence of mercantile-minded townsmen was 'friendly to merchants, in contrast to the situation in most county courts which were dominated by agrarian debtors'.<sup>54</sup> This was the case generally in large towns where the commonplaces of the mercantile

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49. SRO, UP Currie Dal Misc 20/4, J. Lawson to Messrs T. Phillips and Co., Sept., 1774.

50. Ibid., J. Lawson to Messrs Alston and Morton, 14 January, 1773.

51. Ibid., J. Lawson to Nancy Semple, 1 April, 1774.

52. Ibid., John Lawson to Messrs Thos. Phillips and Co., Sept., 1774.

53. ML, Bogle MSS, Bundle 59, John Gray to George Brown, 22 June, 1809.

54. Saltov, loc. cit., 96.

ethic predominated. New York, for example, had a fairly good reputation for the objectivity of its courts in debt actions.<sup>55</sup> Yet, in the later 1760s and early 1770s two factors eroded these advantages. In this period, as has been noted, stores owned by Glasgow firms had slowly moved away from the tidewater to the new inland areas of tobacco cultivation.<sup>56</sup> This increased the merchant's vulnerability: the 'remote situation' of the planters, argued one Glasgow factor, 'will give them an opposition to make away with their estates without your knowledge and besides it is the principle of many people of that neighbourhood not to pay debts'.<sup>57</sup>

A more powerful factor was the changing attitude of the courts as relationships between colonies and mother country deteriorated. In normal circumstances, debt actions might endure for months, which, according to John Hamilton, chief factor for John Brown and Co., resulted from 'the tediousness of the law ... and the generally litigious disposition of the people who are well acquainted with every chicanery that the law will admit of to keep off payment of their debts'.<sup>58</sup> In the 'cold war' period of 1773-5, such intrinsic problems were immensely exacerbated. Maryland courts were shut from the summer of 1774 and in August of that year the House of Representatives by 'a great majority' approved that they should continue closed...<sup>59</sup> One court in Berkshire County did attempt to sit, but a mob invaded the courtroom, seized the Chief Judge and kept him a prisoner until he consented to adjourn the court sine die. One commentator coyly observed that by such methods

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55. Edinburgh Evening Courant, 21 August, 1775.

56. Vide supra, 106-7.

57. EUL, Mercantile Accounts, Virginia and Maryland, Microfilm 23, R. Ferguson to Thomas Mundell, 27 July, 1787.

58. Ibid., John Brown and Co., Letterbooks, John Hamilton to J. Brown and Co., 28 May, 1774.

59. NLS, MS 5028, James Parker to Charles Steuart, 14 August, 1774.

'they meant to avoid the payment of their just debts'.<sup>60</sup> Clearly, an environment in which normal mercantile practice could function had ceased to exist. Moreover, shortage of currency to pay debts was by 1775 becoming an insuperable problem,

I never knew money so hard to collect as at present, the Courts business being stopped. Indeed were they willing I know not whether it would be in their power, there being so little money in circulation among us.<sup>61</sup>

Direct intimidation might hinder debt collection as effectively as the shutting of courts.<sup>62</sup> It was freely admitted that 'the Glasgow factors seem to be the great objects of their resentment, the case is plain to them they owe the money'.<sup>63</sup> Even in New York the judges and Sheriffs were imprisoned by the mob in the spring of 1775.<sup>64</sup> Before the courts closed it was exceedingly difficult to overcome the prejudice and bitterness of the colonial magistrates as the U.K. Government began to pass punitive legislation against North America.<sup>65</sup> Patriotism and indebtedness became intermingled in a curious alchemy. Many must have been like William Woodford, later commander of the rebel forces which burnt Norfolk, Virginia and with it the property of several Glasgow firms. He had been indebted to two Scots stores 'more than he was worth ... but never had the least inclination to pay'; indeed he was by 1777 exulting in the thought of 'discharging his debts to Britain with the broad brush, meaning the destroying of the books and papers of the merchants'.<sup>66</sup>

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60. Ibid., 24 August, 1774.

61. PRO, AO 13/30/130, Letter of Ben Toter, 15 April, 1775.

62. For an example of this see NLS, MS 5028, J. Parker to C. Steuart, 29 September, 1774.

63. Ibid.

64. Caledonian Mercury, 31 May, 1775.

65. NLS, MS 5028, J. Parker to C. Steuart, 17 May, 1774.

66. Edinburgh Evening Courant, 10 November, 1777.

Judgement in a merchant's favour might simply mean the transfer of a debt from one individual to another, rather than the collection in cash of the sum owed. Such was the scarcity of cash that sequestration of a debtor's property was unlikely to release the sum due by speedy sale. Even the threat of imprisoning a debtor was blunted by the widespread knowledge of the expense the creditor had to bear to keep him in jail, and the hope of a quick release if the creditor's resources and/or his determination gave out.<sup>67</sup>

Enough has been said to indicate the enormity of the problems being faced by Glasgow's debt collectors. Given these and sums outstanding described in the first part of this section it cannot be said with any degree of conviction that great success was obtained in the liquidation of debt. Indeed for one group, the Speirs companies, second only to the Cunninghame firms in total importations 1774-5,<sup>68</sup> it can be categorically asserted that the extent of debt owed them mounted rapidly between 1770 and 1776. In the former year their debts in Virginia were running at about £6,299..7..4.<sup>69</sup> Remittances were slight - amounting only to £929..1..9 in 1774 (excluding sales of tobacco);<sup>70</sup> by 1776 the total sum owed them from this state stood at £33,740..11..0.<sup>71</sup> That is, debts had increased five fold in six years. Speirs may have been unique: there is little indication in their extant records of a policy of retrenchment. As late as the summer of 1775 they were ordering factors to keep open stores, supplying goods to planters only taking their bonds in return. This thought the partners in Glasgow, 'would procure ... the good will of the customers. Which may be of use when trade

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67. Saltow, loc. cit., 96.

68. See Appendix IV/a-b.

69. GCA, Speirs Papers, TD131/6/1A, States of Private Affairs, Alexander Speirs, esq., December, 1770.

70. Ibid., TD 131/4, Ledger B, 1773-1780, 61.

71. Ibid., TD 131/5, Ledger C, 1780-83, 28.

is open.<sup>72</sup> There is no denying the basic fact, however, of the extent of the sum owed Glasgow in 1776; it was its size which explains the tenacity with which mercantile pressure endeavoured to recover at least part of the debt owed after peace was signed in 1783. The attempts made in this direction will be described below.

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72. SL, CSP 190/13, Extract of a letter from the Petitioners to George Sherriff, 15 June, 1775.

## IV

By an Act of the American Congress in 1776 all debts due to Britain from the colonies were rated at no more than 66 $\frac{2}{3}$  exchange.<sup>1</sup> Two years later the Council of Virginia directed that 'all suits depending in any court ... within 12 April 1774 wherein British subjects above are plaintiffs and any citizen of this commonwealth a dependant' could be continued and the court could pass judgement, but -

execution as to so much of any debt sued for and recovered in such action as will accrue to such British subjects, shall be suspended till further direction of the legislature.<sup>2</sup>

This was the basic legal situation facing Glasgow merchants eager to recover debts as peace came closer in 1782. A twofold assault was mounted in order to recover the outstanding sums. On the one hand, political pressure was exerted on the Government by Town Council, Chamber of Commerce and the Committee of American Merchants to ensure that specific clauses were inserted in any Peace Treaty to safeguard Glasgow's debts. Secondly, the other exiled factors and agents took ship for North America, ready to proceed with the actual business of debt collection when hostilities came to an end.

With rumours of an early peace in the air in 1782, Patrick Colquhoun, Lord Provost, wrote to John Crawford, Member of Parliament for Glasgow burghs, urging him to see to it that in peace negotiation, British representatives would not neglect 'securing the very large sums that are owing them (i.e. Glasgow merchants) by the inhabitants of Virginia, Maryland and Carolina'.<sup>3</sup>

1. Ibid., Replies for Speirs, French and Co., 9.

2. Henning, Statutes of Virginia, Edinburgh Evening Courant, 13 June, 1778.

3. ML, Chamber of Commerce MSS, Bundle 4, P. Colquhoun to John Crawford 11 March, 1782. For Crawford see Namier and Brooke, op. cit., 269-72.



As spokesmen for these merchants, Colquhoun hoped that as their debt was 'immense', no treaty would be signed in haste before they had an opportunity to state their case to the contracting parties.<sup>4</sup> Crawford was to inquire when negotiations were to begin and at what stage a delegation from Glasgow should be sent to confer with the relevant Government representatives.<sup>5</sup> In reply Crawford fobbed the Provost off concerning rumours of peace, '... it is a million to one that the present minister will not be the person we will trust with America'.<sup>6</sup> He thus thought it improper to speak to the Government on the subject of Glasgow's debts but assured Colquhoun that they would be 'a principal object of the treaty'.<sup>7</sup>

In May of 1782 a memorial was signed by the representatives of sixty-nine commercial concerns in the city and sent to Lord Shelburne. After reiterating the huge sums due them, which they calculated with a good deal of arithmetical hyperbole at about £1,300,000, they pointed out how they had been unable to recover any part of this since 1775, and so welcomed the prospect of peace; the Minister was asked to receive a deputation from the group to explain their plight.<sup>8</sup> Preliminary peace negotiations revealed, however, that Glasgow's claims were likely to be ignored amid the exigencies of diplomacy. A Cabinet meeting of 29 August, 1782 resulted in instructions being sent to the British Plenipotentiary in Paris, Richard Oswald stating specifically that the British Government were prepared to waive the rights of merchants whose debts had accrued before 1775.<sup>9</sup>

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4. Ibid.

5. Ibid. See also P. Colquhoun to John Seton, 11 March, 1782.

6. Ibid., J. Crawford to P. Colquhoun, 18 March, 1782.

7. Ibid.

8. BM, Shelburne MSS, V.87/8, A Memorial of the Merchants of Glasgow interested in the North America trade previous to the year 1776, dated 30 May, 1782.

9. Harlow, op. cit., I, 274-5. For Oswald see DNB XIV, 1223-4.

The same minute renounced the vast area between the Ohio and the Great Lakes (the southern half of the future province of Ontario) and also the claims for compensation of refugees and loyalists.<sup>10</sup>

It was probably this trio of concessions which saved, for the time being, the question of Glasgow's debts. A Treaty perpetuating American competition with a truncated Empire, surrendering huge areas of territory, while making no provision for the recovery of debt or for the much-favoured loyalists, would have dire results. Almost certainly, it would have encouraged such a combination of opposing interests which, in the prevailing political instability, would have broken both Treaty and Government. Thus, as negotiations dragged on it was accepted that without some recognition of the validity of debts and the necessity for some compensation for confiscated property, the clamour in Shelbourne's words 'will scarcely be able to be withstood'.<sup>11</sup>

John Strachey, Under-Secretary of State at the Home and Colonial Office, who had been sent to the Paris talks to aid Oswald, pressed the claims of British creditors and received at least nominal support from a surprising source. The American delegate, John Adams, observed that 'he had no notion of cheating anybody: the question of paying debts and compensating Tories were two'.<sup>12</sup> Finally on the 11 November, 1782 the British Cabinet decided that any Treaty must include an explicit declaration that British merchants would be enabled to institute proceedings for the recovery of bona fide debts due to them before 1775 'according to full value thereof in Sterling Money.'<sup>13</sup> When the Preliminary Articles of Peace were signed on 30 November, 1782,

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10. Ibid., 275.

11. Quoted in Harlow, op. cit., 290.

12. C.F. Adams (ed.), The Works of John Adams (Boston, 1850), III, 301.

13. Harlow, op. cit., 293.

that declaration was incorporated as Article IV. The Government of the U.S.A. agreed to accept the justice of the claims of British merchants and not to hinder debt collection by legal means.

As Glasgow interests were to discover, this was a mere paper victory; its practical ramifications in the individual states was slight in the extreme. There were massive difficulties in the way of successful debt collection after 1783.

In 1782-3 Glasgow firms interested in the pre-1775 tobacco trade had re-established connections with factors who had managed to remain in rebel territories during the war. In addition, company agents were sent out to the former colonies in order to commence the great work of debt liquidation. Alexander Hamilton, resident factor in Maryland of James Brown and Co., began to 'correspond with the house in Glasgow as soon as the country was opened after peace'.<sup>14</sup> In December, 1782, four of the most reliable factors of Speirs, French and Co in the West Indies, were ordered to Virginia and Maryland and 'employ themselves in the collection of debts' and so 'to follow out a plan for the collections of their large subjects there'.<sup>15</sup> Glassfords dispatched James Riddell to Virginia and before the end of 1782 he was busily trying to collect his firm's debts.<sup>16</sup> John Glassford and Co were said to have been 'employed assiduously in endeavouring to recover their property ... and this by means of an agent sent out....'<sup>17</sup> The factors of the Cunninghame group of companies arrived in North America in 1784 and made an official approach to the Virginia House of Delegates

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14. PRO, AO 12/9/59.

15. GCA, Speirs Papers, TD131/13, Sederunt Book of the Trustees of Alexander Speirs of Elderslie, 8-9.

16. Harrall, *op. cit.*, 123.

17. PRO, AO 12/9/35.

announcing their intention to begin the collection of debts.<sup>18</sup> Any optimism which might have been generated by this air of activity was quickly destroyed. Riddell was driven from Virginia by an infuriated mob when he tried to collect debts;<sup>19</sup> Cunninghame's agents left in just as hasty, though less violent, a fashion.<sup>20</sup>

Basic to the whole situation was the fact that the relatively weak American Confederation was powerless to restrain individual states from putting obstacles in the way of the collection of British debts. Before the adoption of the Constitution in 1787, there was no Supreme Court to declare unconstitutional the legislation of a particular state which violated a treaty.<sup>21</sup> Glasgow creditors were thus thrown on to the tender mercies of the Virginia and Maryland State Legislatures and the local assemblies. These rapidly showed the tenor of their attitude. By a proclamation of 2 July, 1783, Governor Harrison of Virginia expelled all those who had left the country and adhered to the enemy since 19 April, 1775.<sup>22</sup> This effectively barred most of the Glasgow factors from returning to the state. The May Assembly of Virginia in 1782 in response to popular clamour passed a law specifically providing that no debt due a British merchant should be recoverable in any court in the state and the Assembly of October, 1782 further added to this by passing a law prohibiting British merchants from even entering the state.<sup>23</sup> In South Carolina, by an ordinance passed by the Assembly on 24 March, 1784, no suit could be instituted for a debt incurred previous to February 1782 until 1 January, 1786.<sup>24</sup> Congress ratified the Treaty of

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18. PRO, A0/12/56/286.

19. Harrell, *op. cit.*, 183.

20. PRO, A0/12/56/287.

21. See the excellent discussion of this topic in Bemis, *op. cit.*, 10-11.

22. PRO, A012/56/309.

23. Henning, *Statutes of Virginia* X, 471; XI, 136.

24. Glasgow Mercury, 14 September, 1786.

Peace in January, 1784 and in compliance with the obligations of Article IV, resolutions were sent to each state recommending that they repeal all laws against loyalists and the recovery of debts.<sup>25</sup> The reply to these from Virginia and Maryland was a firm negative. The two state assemblies had by now attached positive legal arguments to their natural reluctance to open the floodgates to wholesale debt collection. Legal impediments against the recovery of debts ought to continue since the United Kingdom had for her part failed to comply with the Treaty in its entirety: the negroes taken by General Carleton during the war had not been returned nor had compensation been paid for colonial property destroyed or confiscated by British troops.<sup>26</sup> Planters had no wish to start repayment (nor as will be pointed out below had they the means) and the legislature had no heart for making them do so. Alexander McCall, agent for George Kippen and Co. informed Thomas Jefferson as late as August, 1788 that out of the large number of 'prominent Virginians' indebted to his firm only three had signified their willingness to pay.<sup>27</sup> Anti-British feelings in the state were not conducive to the settling of Glasgow's debts. One patriot wrote to Patrick Henry wondering that 'If we are now to pay the debts due to the British merchants what have we been fighting for all this while.'<sup>28</sup> Typical of several anti-British incidents was the following. A few Scots were gathered in a tavern in Williamsburg for a private celebration. When the King's health was proposed, two of the company were expelled from the town and the landlord severely rebuked for allowing such iniquitous behaviour.<sup>29</sup>

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25. Ibid., 22 July, 1784; Harrell op. cit., 144.

26. PRO, AO 12/56/306; Glasgow Mercury, 18 June, 1784.

27. P.F. Ford (ed.), The Writings of Thomas Jefferson (New York, 1892-99) V, 151; see also GCA, Speirs Papers, TD131/9, Arch. Speirs to Mr. Robert, 15 February, 1787.

28. Quoted in Harrell, op. cit., 130.

29. Glasgow Mercury, 22 July, 1784.

Yet even had official regulation allowed courts to open and proceed with actions it is very doubtful whether great inroads would have been made in the outstanding mountain of debt. Virginia and Maryland simply did not have the liquid funds in 1783-5, to begin repayment. The U.S.A. generally had an acute balance of payments problem after 1783. War expenditure and trading difficulties during the war had immensely exacerbated the endemic shortage of currency.<sup>30</sup> The scale of depreciation of paper money in Virginia, running at 1½ per cent in January 1777 had reached the phenomenal level of 1000 per cent by December, 1780.<sup>31</sup> Jefferson put the matter simply, '... in truth, the Virginia planters were bankrupt.'<sup>32</sup> Another contemporary remarked that it was irrelevant whether planters wished to honour their debts or not; they could not do so in the nature of things because of 'the exhausted situation of the Commonwealth'.<sup>33</sup> The Virginians were in fact 'disabled by the war from complying with the fourth Article of the Treaty of prompt payment'.<sup>34</sup>

There were other problems. Planters in the tobacco states could argue that they had in fact already transferred at least part of their liability to the state. A Virginia State Loan Office was established in 1777 to borrow money. The sequestration law of the same year provided that debts due British subjects could be paid into the loan office of the state and the author would give the debtor a certificate of payment that would discharge the debtor from all future obligations to the creditor.<sup>35</sup> The result

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30. PRO, A012/56/306.

31. Glasgow Mercury, 24 June, 1784. For a detailed table enumerating the scale see Appendix IX.

32. Writings of Jefferson, VI, 148.

33. Glasgow Mercury, 8 July, 1784.

34. PRO, A0 12/56/309.

35. Henning, Statutes of Virginia; Edinburgh Evening Courant, 13 June, 1778.

was that many debts were paid up in paper money which each month was depreciating rapidly.<sup>36</sup> The fact that debts could thus be paid in paper money worth only a small proportion of their real value was obviously a boon to the individual. For the state, demand for the currency might be increased and the sums paid into the treasury would provide a sinking fund.<sup>37</sup> In 1779, £72,552 was paid into the loan office.<sup>38</sup> This was another obstacle to debt recovery: on the one hand debtors could argue that they had honoured their debt; on the other, the sum actually remaining in the Loan Office in 1783 would have little effect in decreasing the burden of debt. Although the sum paid into the Loan Office was valued at £273,554..13..7 Virginia currency in 1785, its value in sterling was a mere £12,035.<sup>39</sup>

Prosecution of a successful debt action demanded reliable evidence which would be brought forward in court as an attestation of the extent of the sum involved. This was especially essential since Glasgow creditors in almost every case had to face local district courts rather than their more 'objective' counterparts. Jurisdiction of federal courts took no cognizance of debts under 500 dollars and, as has been pointed out above, most Glasgow debts were for very small sums.<sup>40</sup> Production of objective evidence was often impossible. Generally no accounts were kept other than those of the factor. The only proof of indebtedness, therefore, could often only be the wholly ex parte evidence of the factor's books which an ordinary court of law could refuse to accept.<sup>41</sup> Worse, since most factors left Virginia and

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36. See Appendix IX.

37. Bemis, op. cit., 80.

38. Ibid., 82.

39. Glasgow Mercury, 14 September, 1786.

40. Vide supra, 209.

41. Bemis, op. cit., 316-7.

Maryland in some haste in 1776-7, the accounts they left behind did not always remain in safekeeping. Thomas Irying, who kept a store for the firm of Glassford, Gordon and Co. at Petersburg hid his books in 1777 but had died before the end of the war. Every effort of the firm's agents failed to find them.<sup>42</sup>

As a result of all these short and long term problems, Glasgow merchants had to adopt a more accommodating and flexible policy towards debt recovery. As early as October, 1784, 54 tobacco merchants sent a communication to the Virginia Assembly stating their willingness to accept payment for debts due them from Virginia in annual instalments.<sup>43</sup> A bill in fact providing for the payment of debts in seven annual instalments, without interest from 1775-83, did pass the House but failed to be accepted by the Senate.<sup>44</sup> Pressure was thus once again directed towards the U.K. and U.S.A. Governments. Merchants of Glasgow, Liverpool, Bristol, Whitehaven and London interested in the pre-1775 American trades joined forces in 1785 to plead their case before Government.<sup>45</sup> At the same time in May, 1785 John Adams arrived in London and the committee appointed by the various trading interests secured a meeting with him. They met Adams at his Piccadilly hotel on 9 June.<sup>46</sup> At this and at subsequent meetings the justices of the contention that the planters were not able to make immediate payment was admitted. It was therefore agreed that debts should be paid in five annual instalments, with the merchants

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42. EUL, Mercantile Accounts, Virginia and Maryland, Robert Ferguson to James Campbell, 16 February, 1808.

43. Glasgow Mercury, 23 March, 1786.

44. Glasgow Mercury, 22 July, 1784; 14 September, 1786.

45. UOS, Minutes of Glasgow Chamber of Commerce (Xerox copies), 1783-9, I, 144.

46. Ibid.



eventually and reluctantly renouncing their claim to interest during the war.<sup>47</sup>

The U.K. Government was also able to hold out some hope. Lord Carmarthen, Secretary of State, expressed his desire 'to procure every possible relief for so respectable a body of men whose case certainly deserved and would meet with every possible attention'.<sup>48</sup> Henry Dundas and Viscount Sydney gave equally warm promises of support and it was suggested that a British Minister would now go to North America to see what could be done.<sup>49</sup> The Committee considered that the 1785 negotiations 'promise better success than at any period since the war'.<sup>50</sup> Certainly the legislative prospect for debt recovery did brighten; New York agreed to pay debts in yearly instalments<sup>51</sup> and even Virginia in October, 1787 agreed to repeal all Acts which had up to that point prohibited the payment of British debts.<sup>52</sup> However, there was an important qualification to this decision: the implementation of the Act was to be suspended until,

The Governour, with the advice of Council shall by his Proclamation notify to this state that Great Britain hath delivered up to the United States the posts therein occupied by British troops ... and is also taking measures for the further fulfilment of the said treaty by delivering up the negroes belonging to the citizens of this state taken away contrary to this seventh article of the treaty.<sup>53</sup>

Knowledgeable Virginians realised that this simply meant a continuation of the status quo. Relations between the U.S.A. and the U.K., particularly

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47. Ibid., 145; Harrell, op. cit., 149-50.

48. UOS, Chamber of Commerce Minutes, I, 144-5.

49. Ibid.

50. Ibid.

51. Glasgow Mercury, 6 June, 1787.

52. SRO, GD247/140, Acts passed at a General Assembly of the Commonwealth of Virginia, 15 October, 1787.

53. Ibid.

over the Americans' exclusion from the West Indies carrying trade, were not cordial at this juncture and progress towards agreement over military posts and negroes was likely to be slow.<sup>54</sup>

The result was that by the end of 1787, matters were at a stand. The Glasgow Chamber of Commerce pronounced regretfully that 'hitherto any negotiations upon that subject had been ineffectual.'<sup>55</sup> The only noteworthy development had been that Government was appointing Consuls to each of the states to act as on-the-spot representatives.<sup>56</sup> The U.K. Government was prepared to make compensation for fixed property lost by loyalists; Commissioners sat in London to hear claims and an office was opened to issue certificates of reimbursement.<sup>57</sup> Yet Government could not afford to tackle the debt problem in this fashion because of the size of the sum involved and to the petitions of Glasgow the Lord Advocate could only reply that 'there was little probability of early accommodation about American debts through the medium of Government'.<sup>58</sup>

Undoubtedly some merchant houses were recovering at least a proportion of their debts but such firms were both lucky and unique. Any success was worthy of widespread publicity - the Scots Magazine thought fit to bring it to national notice in 1787, that one merchant had actually received a remittance from Virginia for a debt contracted before the war.<sup>59</sup> Yet by and large, Glasgow interests were beginning to despair of ever extracting the outstanding sums from America - particularly as annual mortality

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54. See Bemis, op. cit., passim.

55. UOS, Chamber of Commerce Minutes, I, 258.

56. Ibid.

57. PRO, AO 12/56; SL, CSP 369/13, Appendix I-III.

58. ML, Chamber of Commerce MSS, Bundle 16, Lord Advocate to Gilbert Hamilton, 20 April, 1787.

59. Scots Magazine, XLIX (1787), 361.

and migration reduced the debtors themselves. Colin Dunlop and Sons thought that the recovery of debt by 1788 'was now very doubtful'.<sup>60</sup> The sum owed them by Virginia was £15,078..18..8.<sup>61</sup> So pessimistic had the outlook become that one of the partners, James Dunlop, was able to purchase the 50 per cent share of two of the other partners in this sum for £1,575.<sup>62</sup> After Dunlop's bankruptcy, his trustee emphasised how he had debts due to him 'of an immense amount in America in one point of view and worth nothing at all in another'.<sup>63</sup> Cunninghame, Findlay and Co. put up their outstanding debts in Maryland for public sale in 1795.<sup>64</sup> An analysis of a cross-section of surviving mercantile records adds a further dimension to this gloomy picture. Such a study reveals that in the case of the Cunninghame group,<sup>65</sup> Robert Dunmore,<sup>66</sup> Colin Dunlop and Sons,<sup>67</sup> John McCall,<sup>68</sup> William French,<sup>69</sup> Baird, Hay and Co.,<sup>70</sup> Archibald Henderson,<sup>71</sup> the Glassford firms,<sup>72</sup> and George Kippen and Co.,<sup>73</sup> the sums owed them in 1775 had scarcely altered by 1790.

Two significant events in 1794 and 1796 modified this pessimistic future. On 19 November, 1794 'A Treaty of Amity, Commerce and Navigation with

60. GCA, Dunlop Papers, 91, Contract and Agreement between G. Hamilton and J. Dunlop, 27 June, 1788, 1.

61. Ibid., State of the funds of J. Dunlop, 23 March, 1793.

62. Ibid., Contract and Agreement, 1.

63. SRO, UP1 Currie Mack, D/5/14, Petition of Gilbert Hamilton, 70.

64. Glasgow Courier, 24 September, 1795.

65. NLS, ACC 2346, J.R. to R.H. Rae, 11 September, 1806.

66. SRO, GD 237/15/3, State of R. Dunmore's subjects, 25 October, 1793.

67. GCA, Dunlop Papers, 91, State of J. Dunlop's funds, 23 March, 1793.

68. SRO, CC 9/7/79/650, Testament of J. McCall.

69. SRO, CC 9/7/82/150, Testament of W. French.

70. GCA, Journal of Baird, Hay and Co.

71. SRO, CC9/7/84/131, Testament of Arch. Henderson.

72. EUL, Mercantile Accounts, Virginia and Maryland, R. Ferguson to J. Campbell, 16 February, 1808.

73. SRO, CC 9/7/79/344, Testament of G. Kippen.

the United States of America' was signed by Lord Grenville and the American envoy John Jay. Under Article IV of 'Jay's Treaty' it was specified that,

Many British merchants have alleged that debts due to a considerable amount contracted before the peace by inhabitants of the United States, were still due to them, which owing to a variety of causes in the lapse of so many years cannot now be recovered by the ordinary course of judicial proceedings. <sup>74</sup>

Having agreed to these facts, the U.S.A. engaged to make full compensation for all such debts which really could not be recovered by the ordinary courts of justice. <sup>75</sup> This was no comprehensive promise of reimbursement. The Article made two important exceptions to the United States' liability. Compensation would not be given for losses occasioned by the insolvency of debtors or in a case where the claimant had shown negligence. Endless legal debate could easily continue over the interpretation of the second exception as applied to particular instances. In conferences with Pitt in May of 1794 representatives of the Glasgow tobacco merchant group had considerably whittled down their claims in order to obtain at least some legislative aid to debt recovery. <sup>76</sup> They had indicated their willingness to renounce all claims to interest on debts upon it being agreed that there would be no legal impediment to collection. On being questioned by Grenville as to what alternative they might accept - a round sum or the adaptation of measures for the opening of the courts of America - they replied that they would be willing to take a round sum equal to the amount of debt esteemed good at 1 January, 1776. <sup>77</sup> The United States agreed, and a joint

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74. Treaty is reprinted in Bemis, op. cit., and in Macpherson, op. cit. iv, 313-14.

75. Ibid.

76. Bemis, op. cit., 315.

77. Ibid., 316.

Commission which would sit in Philadelphia was proposed to undertake the task of ascertaining the validity and extent of the individual sums involved.<sup>78</sup> Two members would be selected from the U.K. and two from the U.S.A. In the event, the fifth member chosen was a Briton. The United States Government engaged 'to make full payment in specie of all sums so awarded by the commissioners, the commencement of the payments being limited to twelve months after the ratification of the treaty.'<sup>79</sup> The American balance of payments problem had been all but solved by 1791-2. There seemed a real chance that some positive action would not be taken.

The important breakthrough in the Commission's proceedings was its willingness to accept the ex parte evidence of merchant accounts alone without any satisfactory check on the sum owed from the planters' books. Yet despite this advance in principle, the Commission proved ineffectual. In the words of one factor who had hoped to obtain some return from it: 'it broke up without doing anything final and ... before ascertaining the losses British creditors had suffered'.<sup>80</sup> Disagreement between the American minority and the British majority eventually led to the two American Commissioners withdrawing. The 'Debts Commission' did not meet again.<sup>81</sup>

Where Government had failed, personal initiative did have some success after a decision of the United States Supreme Court in 1796. In February of that year it ruled that Virginia was a sovereign state in 1777 and was thus capable of sequestering property; however, the Peace Treaty of 1783 made by common consent had provided that there should be no legal impediment

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78. Macpherson, iv, 313-14.

79. Ibid.

80. EUL, Mercantile Accounts, Virginia and Maryland, Robert Ferguson to William Dunlop, 20 February, 1808.

81. Bemis, op. cit., 318.

in collecting bona fide debts. Thus the treaty nullified the laws of Virginia which were in contravention of it.<sup>82</sup> This decision reinforced another of 1793 allowing the validity of bona fide debts. Within this improved legal environment, Glasgow creditors hastened to bring their suits to the United States district and circuit courts of Virginia. In Order Book I of the U.S. Circuit Court of Virginia covering the period 1790-96, more than three-quarters of the cases listed involved actions between British merchants (mostly from Glasgow) and American debtors.<sup>83</sup> One commentator tables of 'the amazing success of the creditors in America courts' in this period and it is certainly true that this was the heyday of debt recovery.<sup>84</sup> Yet equally certainly not all sums were recovered. Because of the very size of the problem it could not be overcome overnight or over a period of a few years; moreover the lapse of time must have eliminated both evidence and witnesses.

At Government level a Convention signed in January, 1802, attempted to produce a compromise. Article VI of Jay's Treaty was annulled and the U.S.A. agreed to pay to the British Government a lump sum of £600,000 to be distributed among British creditors.<sup>85</sup> Although merchant interests considered the sum inadequate in the extreme,<sup>86</sup> the British Government, by authority of Act of Parliament, appointed a Board of Commissioners in London to confer on claims made for compensation from the lump sum and to send agents to the

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82. Ibid., 316; Harrell, op. cit., 170.

83. Harrell, op. cit., 162.

84. Ibid., 177. For an example of such activity in the 1790s see SRO, GD1/572/33, Correspondence of James Dunlop, 1797-8.

85. J.B. Moore, History and Digest of International Arbitrations to which the United States has been a party, 270; EUL, Mercantile Accounts, Virginia and Maryland, Robert Ferguson to Alexander Morrisson, 18 February, 1808.

86. Ibid.; ML, Bogle MSS, Bundle 59, G. Hamilton to Robert Bogle, 7 March, 1809.

U.S.A. to investigate the validity of claims.<sup>87</sup> Its report was only submitted in 1811. Amidst a series of petitions from the Town Council of Glasgow, the Merchants' House and the Chamber of Commerce, emphasising the smallness of the sum, the 'peculiar hardships' of the claimants and the length of time that had elapsed since the debts were incurred, the £600,000 was distributed.<sup>88</sup>

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87. EUL, Mercantile Accounts, Virginia and Maryland, R. Ferguson to James Campbell, 16 February, 1808.

88. GCA, Minute Book of Merchants House of Glasgow, 245, 30 January, 1812. See Glasgow Herald, 14 June, 21 June, 29 July, 1811, for notice of distribution of funds to the creditors of firms bankrupt during the American War.

Given the collapse of Glasgow's major overseas trade specialisation in 1776-7 and the problems consequent upon such a collapse, it might well be concluded that financial disaster was likely to be widespread. Contemporaries were certainly aware of the practical implications for Glasgow if the colonies did rebel. 'Mercator' emphasised in an address 'to the Merchants and Manufacturers of Glasgow concerned in the American trade' that 'if your commerce be interrupted for a few months only, it must prove the ruin of your trading city'.<sup>1</sup> James Denholm, writing about thirty years after the collapse of the tobacco trade, had no doubt that this was what had in fact occurred. The American War dealt 'a dreadful stroke to Glasgow' and that 'it proved the ruin of great numbers who before reckoned themselves possessed of independent fortunes'.<sup>2</sup> Nineteenth century Historians of the city in the main followed this line. Robert Reid was convinced that 'the dispute with our American colonies ... had nearly annihilated the foreign commerce of the city, and ruined a great proportion of her enterprising merchants'.<sup>3</sup> George Stewart, one of the great exponents of antiquarianism in late nineteenth century Glasgow and a compiler of biographical data on the famous merchant families of the eighteenth century,<sup>4</sup> thought that 'heavy failures were of daily occurrence' among the tobacco aristocracy during the war.<sup>5</sup> The aim of this section will be to evaluate the validity of these views, to chart the extent of financial collapse and, where possible,

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1. Caledonian Mercury, 14 January, 1775.

2. James Denholm, A History of Glasgow (Glasgow, 1804), 407. See also John Knox, A View of the British Empire more especially Scotland (London, 1785), I, 102, 171 for a similar viewpoint.

3. Robert Reid, Old Glasgow and its Environs (Glasgow, 1864), 175.

4. See for example his Curiosities of Old Glasgow Citizenship (Glasgow, 1881).

5. George Stewart, Progress of Glasgow (Glasgow, 1883)



the reasons for it.

It seems probable that much of the confusion concerning extent of bankruptcy was caused by the assumption that firms or individuals involved in the tobacco trade who became insolvent in the 1770s and 1780s owed their plight inevitably to the collapse of the tobacco trade in 1775-6. An outstanding example of such a misunderstanding is the case of William French. He, according to one Glasgow historian, 'was ruined by the American War'.<sup>6</sup> French's assets, however, were not sequestrated until July, 1787,<sup>7</sup> and in the meantime between the end of the war in 1783 and his insolvency four years later, he had been buying land in Old Monkland in Lanarkshire.<sup>8</sup> Furthermore he was an important partner in Speirs, Bowman and Co. and Speirs, French and Co., two firms who not only did not go bankrupt during the war but in fact made immense profits from selling tobacco at high wartime rates in 1777.<sup>9</sup> Given his circumstances and the date of his insolvency it would seem safe to conclude that his difficulties were not directly connected with the aftermath of 1775-6.

The firm of Wilson, Brown and Co., were also adjudged 'to have failed for £40,000 due to the collapse of the tobacco trade'.<sup>10</sup> It is difficult to justify this suggestion. The Customs Accounts demonstrate that the firm was still operating in the last two years of war<sup>11</sup> and far from being 'importers of tobacco to a considerable extent' had been 'throughout the 1770s specialising more as manufacturers of roll tobacco principally engaged in

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6. Reid, *op. cit.*, 173.

7. *Glasgow Mercury*, 25 July, 1787.

8. SRO, GRS 415/45; PRS (Glasgow) 28/337.

9. PRO, A012/9/49-53; GCA, Speirs Papers, Ledger B, *passim*.

10. Senex, III, 280.

11. SRO, E.504/28/34-6; E.504/15/33-35.

the export trade to Dublin, Belfast and Newry.<sup>12</sup> The company did not fall into financial difficulties until 1786.<sup>13</sup> The Bogle of Daldowie were one of the great families who experienced financial difficulties during the 1770s, yet their situation cannot be connected with the disruption of trade with North America in 1775-6. Their troubles had begun four years previously in 1772, 'a year', according to Sir William Forbes, 'for the numerous bankruptcies which took place'.<sup>14</sup> Daldowie Bogle appear to have been more interested in trade to the Caribbean rather than to Virginia and Maryland. Indeed Robert Bogle was being congratulated by his brother George in January, 1776 on 'how lucky it is that you have no concern with the Americans in these times of anarchy and rebellion.'<sup>15</sup>

One other firm enumerated as bankrupt during the American War was James Brown and Co.<sup>16</sup> Again this suggestion is not supported by the surviving data. In evidence to the 'Loyalists Commission' in 1786, this company, composed of James Brown, Robert Dreghorn, James Moore, Matthew Orr and John Rowand, asserted how, as soon as hostilities had come to an end, they (not a trustee or a representative of their creditors) began to communicate with their factor in Maryland, Alexander Hamilton. There is no mention of any insolvency or of impending financial disaster which might well have furthered their course with the Commission.<sup>17</sup>

The method adopted to ascertain the degree of financial collapse during

12. GCA, B.10/5/8140, Agreement between Messrs Wilson and Brown, 30 March. Andrew Brown was the author of A History of Glasgow (Glasgow 1795-7) 2 vols.

13. SRO, GD247/140, Information for R. Dunmore and Co., 20 December, 1786, 10.

14. ML, Bogle MSS, Bundle 54, Trustees of Daldowie to George Bogle, 3 March, 1779; Forbes, op. cit., 39.

15. 15. ML, Bogle MSS, Bundle 2, G. Bogle to R. Bogle, 30 January, 1776.

16. See Matriculation Albums, Glasgow University, Matric No. 1420 where James Brown is described as 'ruined by the American War'.

17. PRO, AO 12/9/59-61. See also SRO, E.504/15/33, where James Brown and Co. are shown as importing tobacco in 1781-2 from the West Indies.

the American War was, in essence, a fairly straightforward one. A table of those firms engaged in the importation of tobacco in 1774-5 was drawn up from the customs accounts of Greenock and Port Glasgow; thereafter a thorough examination was conducted through a wide variety of sources to obtain proof of a firm's continued survival into the later 1780s. If the firm was found not to have survived it was investigated to determine whether its end had been caused by bankruptcy, mutual agreement among the partners or the end of the time-span of a particular copartnership. When this preliminary task was complete those firms who patently had not survived and whose copartnerships had not ended by free consent of the members were subjected to a detailed consideration by utilising the Records of the Court of Session and local and national Registers of Deeds. It was to be hoped that the end result of this exercise would be a more sober and certain assessment of the level of bankruptcy as a result of the tobacco trade collapse. Appendix X gives an indication of tobacco importers in 1774, their level of importation and whether they survived the war intact.

Several conclusions can be drawn from this Appendix. It is scarcely possible to describe the effects of the collapse of the tobacco trade on Glasgow as catastrophic as measured by the extent of bankruptcy among tobacco firms. Indeed so far reaching was the role of the three giant groups of Speirs, Cunninghame and Glassford - who imported about fifty per cent of the 1774 total - that their continued solvency would itself dispel any such suggestion. Those companies which did go bankrupt imported a mere 2,358 hogsheads in toto of the total Clyde importation of 31,090 for 1774. Only one insolvent concern was numbered among those eleven groups and firms which shipped more than 500 hogsheads. Four of the bankrupt companies were, however to be found among the ten firms which imported the least amount. There was thus little that was dramatic or unique about the financial difficulties

of Glasgow's tobacco merchants as a result of the collapse of the trade in 1775-76. The direct effects of this 'disaster' hardly bear comparison with the failure of the Ayr Bank in 1772 with total liabilities of £1,120,000,<sup>18</sup> nor the depression in Scottish industry and trade in 1793 when several cotton firms, notably James and Archibald Buchanan and Co., fell and James Dunlop went bankrupt for £169,375.<sup>19</sup> The crash of Buchanan, Hastie and Co., the most outstanding of the insolvencies during the American War fades into the background against the bankruptcy of Alexander Houston and Co in the 1800s.<sup>20</sup> Moreover, the history of the eighteenth century tobacco trade had not been one of uniform success. The late 1720s and early 1730s, when Glasgow's economy was more fragile than in the later eighteenth century was a period of particularly serious depression. The diarist, Rev. Robert Woodrow talked in 1728 of 'the great loss this year to the merchants of Glasgow in their tobacco trade',

One of them tells me that at a modest calculation of the 40 shippes or some more which went out of Clyde this season there will be 18,000 pds sterling of loss, which is a vast somme for the town of Glasgow.<sup>21</sup>

Merchant bankruptcies such as that of James Dunlop the elder,<sup>22</sup> George Bogle<sup>23</sup> and Alexander Cunninghame<sup>24</sup> clustered together in the later 1760s and early 1770s. The experience of tobacco merchants during the American War does not justify the exclusive attention which this particular period has

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18. H. Hamilton, 'The Failure of the Ayr Bank, 1772' Econ. Hist. Rev., 2nd ser. VIII (1956).

19. Hamilton, Economic History, 334; GCA, Dunlop Papers, State of the Funds of James Dunlop, 23 March, 1793.

20. The 'whole debts' due by Houstons in 1800 amounted to £558,804.18..5. See SRO, GD237/143, Minutes of Meeting of the Sureties of Government for William McDowall ... 30 November, 1805, 7.

21. R. Woodrow, Analecta (Maitland Club, Edinburgh, 1842-3), IV, 10. For other comments on this period see Gourlay, op. cit., 10-11.

22. SL, CSP 155/8, Information for T.P. and W. Bogle, 1. Dunlop became bankrupt in 1763.

23. ML, Bogle MSS, Trustees of Daldowie to George Bogle, 3 March, 1779.

24. SL, CSP 162/23, Information for Elizabeth and Barbara Cunninghame, 8 February, 1775.

received from historians.

The greatest of the bankruptcies which did occur during the American War was undoubtedly that of Buchanan, Hastie and Co. While accepting the magnitude of the loss involved it is essential to be accurate about the actual sum. James Gourlay thought that it probably lay around the £120,000 mark.<sup>25</sup> In fact, according to the sequestration record, the company failed for £62,541..6..0.<sup>26</sup> It would perhaps be wrong to isolate this specific concern for examination: as can be seen, from Table 22 below (page 236), there were strong partnership links between it and two of the other bankrupt firms, Bogle, Jamieson and Co. and James, Jamieson and Co. These two failed for £9,082..16 and £8,177..1..11<sup>27</sup> respectively and will be looked at along with Buchanan, Hastie and Co., as a single group.

The reasons behind the failure of these firms appear to fall into two broad categories. It seems likely that one cause, though as will be clear, from the discussion that follows, not the most important one, was the continuing existence of debts and atypically large fixed properties in the colonies. James Somervell who until May, 1777 was a leading partner in Bogle, Somervell and Co. (later Bogle, Jamieson and Co) revealed in a court action in 1778, how he in 1775 'was better acquainted with the estate of their affairs than any other person ... foresaw that by their funds being locked up in America it would be a difficult matter for them to pay their debts'.<sup>28</sup> Thus in July, 1776, he prevailed upon James Jamieson to purchase his share of the concern and at the same time obtained security for being relieved of the Company's debts.<sup>29</sup> Buchanan, Hastie and Co. were also one of the few tobacco import-

25. Gourlay, *op. cit.*, 67.

26. SRO, Currie Dal Seq B1/1, Buchanan Hastie and Co. (1777).

27. *Ibid.*

28. SRO, UP 1 Currie Dal B.5/8, Thos. Buchanan versus Bogle and Somervell (1778) Petition by T. Buchanan and Co., 1-2.

29. *Ibid.*

TABLE 22Buchanan, Hastie and Co.(first partnership, signed 1763) <sup>30</sup>

Andrew Buchanan	£2,000
Robert Hastie	2,000
James Jamieson	1,500
Walter Brock	750
William Buchanan	750
James Buchanan	1,500
John Fisher	500

Buchanan, Hastie and Co.(second partnership) <sup>31</sup>

Andrew Buchanan
James Buchanan
Robert Hastie
Walter Brock
William Buchanan
Richard Cameron
James Jamieson

Bogle, Jamieson and Co. <sup>32</sup>

William Bogle
James Jamieson
Robert Hastie
John Buchanan

James Jamieson and Co. <sup>33</sup>

James Jamieson
William Bogle
Andrew Buchanan
Robert Hastie
Walter Brock
William Buchanan
John Buchanan
Robert Lawson

ing firms who owned plantations in Virginia. The loss of these owing to sequestration proceedings in 1778 in that state against British property <sup>34</sup>

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30. GCA, Probitive Writs, B.10/12/4.

31. SRO, Currie Dal Seq., B1/1, Buchanan, Hastie and Co (1777).

32. GCA, Reg. of Deeds, B.10/5/8045.

33. Ibid., B.10/5/9593.

34. Edinburgh Evening Courant, 13 June, 1778, Reprint of an Act for sequestering British property, March, 1778.

was long ago pointed to as the main reason for the firm's bankruptcy.<sup>35</sup> It is difficult to accept this view without comment.

Although it would be wrong to dismiss the role of the existence of debts and property in America altogether, certain other matters ought to be borne in mind. We have it from a representative of one of the company's main creditors, the bankers Moore, Carrick and Co., that the total 'subject' in the colonies in 1777 of Buchanan, Hastie and Co. inclusive of debts and fixed assets was a mere £13,000.<sup>36</sup> This compares very unfavourably with the debt owed by the company at its sequestration - over £62,000.<sup>37</sup> Thus, even if all the property had been open to company control and if all debts had been recovered it would appear that the ultimate fate of the undertaking would have been little affected. Again, it seems inaccurate to suggest that the loss of fixed property was an important factor in the firm's demise when it is recalled that the company went bankrupt in December, 1777 and British property in Virginia was not sequestrated until March, 1778.<sup>38</sup>

A more plausible line of argument would perhaps concentrate on the history of the three companies before the collapse of the tobacco trade. One might justifiably conclude from this that the companies' misfortunes were due to defects in their capital structure and in the business qualities of the partners themselves. From a study of the list of debts owed by Buchanan, Hastie and Co and of the local and national register of deeds one can ascertain that the group was chronically short of working capital and had been borrowing heavily on land, on the security of the individual partners

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35. For example by Gourlay, *op. cit.*, 65, Hamilton, Economic History, 328-9.

36. ML, Bogle MSS, xcl, John Brown's Diary, I, December, 1777, 54.

37. SR0, Currie Dal Seq, B1/1, Buchanan, Hastie and Co. (1777).

38. *Ibid*; Edinburgh Evening Courant, 13 June, 1778.

from the late 1760s.<sup>39</sup> Credit is the lifeblood of any commercial undertaking but what was so extraordinary about the sums loaned to Buchanan, Hastie and Co was their extent and source. At the firm's sequestration in 1777 about ten per cent of debt was owed to spinsters and widows.<sup>40</sup> John Brown commented how 'much of the money due belongs to Orphans and Widows that cannot well afford it.'<sup>41</sup> The £6,142..9..10 debt to such creditors was almost as much as the sum owed to banks.<sup>42</sup> In 1768 the treasurer of the Faculty of Advocates in Edinburgh had lent £500 to the company, 'being the proper money of the said faculty', on the personal bond of James Buchanan.<sup>43</sup> Buchanan put up his estate of Drumpellier as security for a £2,000 loan from a neighbouring landowner, William Clavil.<sup>44</sup> The funds of HMS Panther were even tapped: the purser, John Alexander lent the partners of Buchanan, Hastie and Co. £500.<sup>45</sup> The medical profession, in the shape of Dr. William Macfarlane 'physician in Edinburgh', and Dr. Hugh Mackilwraith, also supplied loans.<sup>46</sup> Bogle, Jamieson and Co were borrowing widely as well and from much the same sources.<sup>47</sup> The aristocracy were represented in the list of creditors: James Walker, factor for the trustees of the deceased Margaret, Duchess of Douglas and the Marquis of Annandale was owed £1,552 by Buchanan, Hastie and Co.<sup>48</sup>

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39. First copartnership agreement was signed in 1763, GCA, Probitive Writs, B.10/12/4.

40. See Appendix XI for a full list of creditors.

41. ML, Bogle MSS, xcl, John Brown's Diary, I, 54.

42. Appendix VII.

43. SRO, Reg. of Deeds 231/903 DAL, J. Buchanan, Bond, to James Balfour.

44. Ibid., 218/783, DAL, Bond, Buchanan and Naismith to W. Clavil.

45. Ibid., 222/1104 MACK, Bond, Buchanan, Hastie and Co to John Alexander.

46. Ibid., 231/1/614, MACK; GCA, Action and Corr. Dr H. Mackilwraith against J. Johnston.

47. GCA, Reg. of Deeds, B.10/5/8045, 8075, 8080, 8091, 8079.

48. SRO, Currie Dal Seqq B1/1, Buchanan, Hastie and Co. (1777). See Appendix XI. For details of other funds lent on bond to the company see SRO, Reg. of Deeds, 223/411 DAL; 237/1/31 DUR; 223/12 DAL; 223/1/198 MACK; 223/1/756 MACK.



Of the total debts of £62,541..6..0 owed by the firm, creditors for about £37,484..0..2 could be identified by 'occupation'. What is most significant was the very small number of those who can be definitely described as trade creditors: the total owed to other merchants and/or industrial units was £8,090..2..11. English interests were owed £1,178..17..8; landowners (at least those who were able to be identified as such), £8,830..16..11 and £6,185..6..4 was owed to the Thistle Bank, the Glasgow Merchants Bank, Cochran, Murdoch and Co, Moores, Carrick and Co and the British Linen Bank.<sup>49</sup> The conclusion seems clear: the vast proportion of creditors were persons who had deposited money with the company on loan; they were not other companies who were awaiting payment for goods received. Clearly such a structure would be highly vulnerable in a period of depression as creditors desperately searched for liquidity.

The initial stages of the war were, however, surprisingly free from depression. In May, 1775 the Caledonian Mercury reported that 'the demand for our different manufactures is so great, the prices of most kinds have advanced so and hands cannot be got to complete the commissions from England and Holland'.<sup>50</sup> In September, the same journal noted that 'trade had never been so brisk' and that merchants returning from Virginia were surprised 'to find the manufactures of this country brisk and the people fully employed and happy'.<sup>51</sup> In July of the following year shares in the Royal Bank in Edinburgh sold at the rate of £215, £15 higher than 'we ever found before owing to the great plenty of money now in circle'.<sup>52</sup> Speculation in tobacco at

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49. See Appendix XI.

50. 20 May, 1775.

51. 12 September, 1775.

52. Scots Magazine, July, 1776.

wartime rates,<sup>53</sup> the demand on shipping made by the transport service,<sup>54</sup> upsurge in trade with England and Holland<sup>55</sup> and a revival of commercial relations with Eastern Europe were all factors in this mild boom.<sup>56</sup> An easing in activity was likely, however, as rising labour costs in a labour intensive economy, eroded profits.

This economic determinant was sharpened towards the end of 1777 by a decline in the price of tobacco,<sup>57</sup> a developing uneasiness concerning relations between the United Kingdom and France and the direct effect of hostilities on trade patterns.<sup>58</sup> From November, 1777 the reports of Alex. Houston and Co. to their agents reflect an increasing pessimism.<sup>59</sup> By December, the sugar and cotton markets were 'perfectly dull'<sup>60</sup> and Houston opined that,

the publick affairs of this nation seem to be arrived at a very alarming crisis, for besides the American War, which wears a most gloomy aspect if seems highly probably that we shall soon be engaged in another with France, the consequences of which may prove very fatal to the commerce of Britain.<sup>61</sup>

As a result, merchant houses were restraining credit, curtailing plans and making special efforts to recover debts.<sup>62</sup> In a word, there was a general movement towards liquidity. The classic symptoms of recession in wartime were manifesting themselves: the defeat of British forces at Saratoga<sup>63</sup> in October 1777 and rumour of French entry into the conflict, rapidly destroyed widespread hopes of an early peace.<sup>64</sup>

In such a period of credit restriction the survival of Buchanan, Hastie and Co. and its sister companies was unlikely. Their experience with one

53. Vide supra,

54. Vide infra,

55. Robertson, loc. cit.

56. Macpherson, op. cit., III, 590-91.

57. Vide supra,

58. Vide infra,

59. NLS, MS 8793, Letterbook E., Alex. Houston and Co. to David Macfarlane, 30 November, 1777.

60. Ibid., Alex. Houston and Co. to Thomas Townshend, 8 December, 1777.

61. Ibid., Alex. Houston and Co. to Messrs Turner and Paul, 30 Dec., 1777.

62. Ibid.

63. For contemporary reaction to this see ibid. Alex. Houston and Co to Messrs Houston and Paterson and Co., 24 December, 1777.

64. For runs on the banks at this time see Sir W. Forbes, op. cit., 54.

creditor might well have been typical. Thomas Buchanan and Co. had sold to Bogle, Jamieson and Co three separate parcels of hats to the value of £97..

11..6. Buchanan applied for payment in June, 1777, was told by James Jamieson 'that it was inconvenient to make immediate payment' and was asked to accept a bill for the amount due to them payable six months later in December, 1777. The acceptance fell due on the 21st of that month, but Jamieson was still unable to comply.<sup>65</sup> They do not appear to have been able to gain markedly from the high tobacco prices prevailing in the later part of 1776. Although the three companies imported a total of 842 hogsheads in 1775,<sup>66</sup> only 76 remained in their hands in August, 1776,<sup>67</sup> after which the spectacular profits were made.<sup>68</sup> It is probable that the strain on their credit forced them to sell quickly. They did not even last into the more severe recession of 1778; the property of Buchanan, Hastie and Co was sequestrated in December, 1777;<sup>69</sup> in the same month James Jamieson and Co. and Bogle, Jamieson and Co. stopped payment.<sup>70</sup>

The analysis which has been carried out thus far does not serve as a satisfactory or complete account of these, the greatest series of bankruptcies of the American War. The very fact that this syndicate had such a disastrous experience while the vast majority of tobacco firms reaped profits or at least continued to survive, may imply that this group lacked qualities which others possessed. It has already been pointed out that these firms expanded their

65. SR0, UPI Currie Dal B5/8, Thos. Buchanan versus Bogle and Somervell (1778), Petition of T. Buchanan, 1-4.

66. SR0, E.504/15/24-5; E.504/28/24-5. See Appendix IV/b.

67. SR0, CE 60/1/9. See Appendix V/a.

68. Vide infra,

69. SR0, Currie Dal Seq. B1/1, Buchanan, Hastie and Co. (1777).

70. SR0, UPI, Currie Dal B5/8; GCA, Action and Correspondence Dr. H. Mackilwraith.

credit base to a perilous extent. Available evidence suggests this was a result of the incompetence of the main partners in the group. As one contemporary pointed out, the principals were 'once reckoned capital people'.<sup>71</sup> The Buchanan dynasty had been prominent in both mercantile and public affairs in Glasgow throughout the eighteenth century. Andrew Buchanan sen., 52 years of age when the failure took place, had been Lord Provost of the city and in the early 1770s was making a considerable name for himself as an urban improver with the development of Buchanan Street.<sup>72</sup> His kinsman, James Buchanan, had been elected Provost in 1768 and 1774 and had married into the aristocracy: his wife Margaret was a daughter of the Hon. John Hamilton, a son of the sixth Earl of Haddington.<sup>73</sup> Almost certainly this link with the elite landowning class and the generally high reputation of the firm itself explains the curious ease which the partners were able to extract loans from aristocrats and lairds as well as banks and merchants.

By the 1770s at any rate there must be real doubt about the abilities of these two men and of James Jamieson. The latter's decision in May, 1777 to accept James Somervell's share in Somervell, Bogle and Co., when Somervell at least realised the condition of the company's finances (and Jamieson was also a partner) does not give one confidence in his competence.<sup>74</sup> John Brown, to whose banking firm of Moores, Carrick and Co. Buchanan, Hastie and Co owed £1,200, perhaps put his finger on the root of the company's troubles:

It seems one of the great causes of the failure is when others of the tobacco trade was [sic] getting home great quantities of tobacco which on account of the troubles were giving a

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71. ML, Bogle MSS, xel, John Brown's Diary, I, 54.

72. Senex, op. cit., II, 369.

73. Gourlay, op. cit., 64.

74. SRO, UP1 Currie Dal B5/8; vide supra, 235

very great price, the Company was delaying and arguing with their agents and factors abroad.<sup>75</sup> Besides their affairs seem to have been miserably managed at home. Instead of the partners minding the business they are making pleasures and advocations at their town and country houses. From a state of their affairs laid before their creditors, they appear to be owing £50,000 mostly bonded money. <sup>76</sup>

The impression of administrative incompetence is strengthened by the information which has survived on Andrew Buchanan's career after the bankruptcy. In January, 1780, he was appointed Lord Chamberlain of the town of Glasgow by his friends on the Council. He was authorised 'to keep fair, regular and distinct books with regard to the city's whole business' and for this was to receive a salary of £100 per annum.<sup>77</sup> At the end of his first year, however, he was dismissed from his post for embezzling the sum of £1,457..10..1 from the city's funds.<sup>78</sup>

Material on the four other bankruptcies in the tobacco trade is scarce. Wylie Mackenzie and Co and Hugh Wylie and Co did not fail until 1780.<sup>79</sup> In fact, in October, 1780, Wylie was elected Lord Provost of Glasgow.<sup>80</sup> The Wylie concerns had been in difficulty since the middle of 1777 when Wylie's partner, John Mackenzie, as an individual, had had his assets sequestrated because 'the loss on his American property he was unequal to engagements.'<sup>81</sup> Wylie carried on until 1781 but by that time he was in extreme difficulties due to the lack of remittances from America.<sup>82</sup> The failure of Baird, Hay

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75. This point is certainly borne out by the Customs Accounts, see Appendix IV/a-b.

76. ML, Bogle MSS, xel, John Brown's Diary, I, 54-5.

77. GCA, Cl/1/36, Council Minute Book, 1777-81, 325.

78. Ibid., Cl/1/37, Council Minute Book, 1781-86, 344; Q. Eyre-Todd, A History of Glasgow (Glasgow, 1934), 293.

79. GCA, Cl/1/36, Council Minute Book, 1777-81, 437.

80. GCA, Reg. of Deeds, B.10/5/8440.

81. GCA, Mitchell Johnston Coll., John Mackenzie, lawsuit.

82. GCA, Reg. of Deeds, B.10/5/8440, Settlement of Hugh Wylie; Cl/1/37, Council Minute Book, 1781-87.

and Co conforms to this pattern: they seem to have gone bankrupt sometime in 1777 with £16,100 outstanding to them in Virginia.<sup>83</sup> Small units such as the Mackenzie-Wylie group, which imported a total of 163 and 225 hogsheads in 1774 and 1775 respectively, and Baird, Hay and Co. (41 hogsheads in 1774), would find survival very difficult in the circumstances of the period 1777-81.<sup>84</sup> Operating on slender margins they might not have the necessary capital base to increase their importations substantially, especially since much of the feverish buying of tobacco in the summer of 1775 was done with cash.<sup>85</sup> Further, larger firms were most likely to attempt to control the market. Small companies might well be dependent on the annual flow of remittances to a greater degree than the large groups; when this was interrupted in 1775-6 and a major recession began in late 1777, such units would be faced with immense problems of survival.

Even less information is available on the remaining tobacco firm which failed during the American War. McCall, Smellie and Co., composed of Archibald and Richard Smellie and George McCall, had their property sequestered by the Court of Session on 15 December, 1780.<sup>86</sup> The lack of other evidence makes any comments on the probable causes of their demise less than worthwhile.

In concluding this section it is perhaps essential to stress that the phenomenon which requires explanation is not bankruptcies and failures but the lack of them during such a period of crisis for the tobacco traders of

83. GCA, Journal of Baird, Hay and Co.

84. See Appendix IV/A-B.

85. Vide supra, 183.

86. GCA, B.10/5/8339, Disposition by Arch. Grahame as factor on the sequestrated estate of Messrs Smellies, 6 July, 1781.

Glasgow. Obviously disaster was not averted easily. Major firms had pressing problems. Robert Dunmore and Co. in 1778 was squeezed between interruption in remittances and declining price of sugar and tobacco and was only saved from insolvency by a massive £10,000 loan from William Cunninghame.<sup>87</sup> Similarly Houstons reported to their chief agency house in the West Indies in the same year, doubting their capability 'to ship goods to anybody this year, unless we receive very large remittances'.<sup>88</sup> 1778 was a year when the U.K. total of bankruptcies rose to 675 as compared with 360 in 1771,<sup>89</sup> and yet the Clyde showed in Professor W.R. Scott's words 'economic resiliency'.<sup>90</sup> Two complementary factors probably explain Glasgow's good fortune. Firstly, one ought to emphasise the profits which were made in 1776-7 on stockpiled tobacco. A second factor was the control of the great proportion of imported tobacco by very large interconnected firms. These at once had the financial resources to pay ready cash for part of the 1775 crop and could also withstand the depression of 1778 because of their experience in handling a highly speculative commodity.

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87. SRO, GD247/59/Q/2, W. Cunninghame to R. Dunmore, 25 July, 1778.

88. NLS, MS8794, Letterbook F, Alex. Houston and Co. to Houston, Paterson and Co., 20 July, 1778.

89. George Chalmers, Estimate of the Comparative Strength of Great Britain (London, 1794), XLVI.

90. W.R. Scott, 'Economic Resiliency', Econ. Hist. Rev., II (1930).

PART II

Glasgow Colonial Merchants and the  
American War of Independence

CHAPTER 6

Colonial Trade and its Problems during  
the American War of Independence, 1775-83

- I. Tobacco Merchants and Trading Developments during the War.
- II. Problems of Glasgow West India merchants during the War: Direct effects of Hostilities.
- III. Problems of Glasgow West India merchants during the War: Costs, Credit and Profit.



I

Direct trade with the major tobacco-growing areas of Virginia and Maryland was out of the question during the American War of Independence. Both colonies were in rebel-held territory and both were organising their own export trade in tobacco to the Continent of Europe from the initial stages of the war.<sup>1</sup> This section, therefore, examines the experience of Glasgow's tobacco trade within this context. Some effort will be made to assess the actual extent of the trade during the war years, the relative importance of the various indirect routes by which tobacco continued to flow to the Clyde, though in much restricted proportions, and to investigate the condition of that other section of the tobacco merchant's business, the supply of British and foreign commodities to the North American market.

After the heavy importations of the years 1774-75, the year 1776 saw a dramatic collapse in attested tobacco cargoes shipped to Port Glasgow and Greenock from the rebellious colonies. From a total of 29,330 hogsheads in 1775, importation slumped to 1,521 hogsheads in 1776. All of this latter figure was entered in the first quarter of the year.<sup>2</sup> The situation regarding legal imports was even worse in 1777 when a gross total of 86 hogsheads arrived in the Clyde.<sup>3</sup> This was the bottom of the slump. Although imports from 1778-83 never attained anything even approximating to pre-war levels, there was real progress in the trade via circuitous routes.

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1. Edinburgh Advertiser, 29 July, 1777; Hamilton, *Economic History*, 770.

2. SR0, E.504/28/25-6; E.504/15/26-7.

3. Ibid., E.504/28/27-8; E.504/15/28-9.

**TABLE 23: Clyde Tobacco Imports, 1778-82**

1778	1,099	hogsheads
1779	3,051	"
1780	Customs Accounts incomplete	
1781	1,013	hogsheads
1782	2,597	hogsheads <sup>4</sup>

Importation on this scale represents an adjustment to a wartime situation. Over ninety per cent of the Clyde's annual import of tobacco between 1770-75 was re-exported, principally to Europe;<sup>5</sup> however, after 1777 no cargoes were registered as outward bound for continental ports. The last tobacco cargo was exported in the third quarter of 1777, when Glassford, Gordon and Co exported 230 hogsheads to Havre de Grace in France from Greenock.<sup>6</sup> Indeed, as was pointed out in Chapter 5, there was a return flow of tobacco from France and Holland in early 1778 as prices on the continent declined and merchants searched for better markets in the United Kingdom.<sup>7</sup> Not until April-June, 1783, do the Customs Accounts register a revival in the re-export trade in tobacco when Riddell, Gordon and Co., Patrick Hunter and Co and John Campbell sen and Co., began supplying such ports as Rotterdam and North Bergen in Norway.<sup>8</sup> In addition from 1780-1 Glasgow merchants were beginning to freight neutral vessels which could carry on a direct trade with Europe without the necessity of first bringing cargoes into a British port as was required by the Navigation Acts.<sup>9</sup> Hostilities between France and Great Britain from 1778, war with Holland

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4. SRO, E.504/15/29-37; E.504/28/28-35.

5. Price, loc. cit; SRO, E.504/28/24-25, E.504/15/25-26 show this to be still true in 1775.

6. SRO, E.504/15/28.

7. Vide supra, 188-9.

8. SRO, E.504/28/36.

9. GCA, Speirs Papers, TD131/9, Letterbook of Alex. Speirs, passim gives detail on this. This whole subject will be examined below, 290-1.

after 1780 (the major continental tobacco markets in pre-war days), the disappointing nature of the European market in late 1777, the opening up by the Americans of a direct trade in tobacco to France, and the security of supplying the home market when wartime trading costs were rising significantly,<sup>10</sup> were all factors in this changed pattern.

Given the scale of importation and bearing in mind the limited amounts normally destined for the Scottish market, it could be argued that from 1778 onwards Glasgow tobacco merchants were at least still able to cater for home demand. Two points reinforce this suggestion. Firstly, it would almost certainly be inaccurate to conclude that figures found in the Customs Accounts give a true impression of all the tobacco finding its way into Scotland between 1778 and 1783. The rise of duties during the war gave a significant boost to smuggling. By 1782 duty on tobacco amounted to £25 per hogsheads 'besides the expenses of lodging the tobacco in joint custody and granting bonds for the remaining duty of  $10^d \frac{46}{240}$ '.<sup>11</sup> Although there was a sizeable drawback if the commodity was exported this would hardly be likely to ease matters given the depressed condition of the tobacco re-export trade; again credit stringency during the war and the operation of the convoy system - which meant a concentrated demand for funds to pay duties within a short period<sup>12</sup> - would add to the attractions of smuggling. Certainly by 1781, this had become a problem for the 'fair trader'. In 'an Address of the Tobacco Manufacturers of Glasgow' in 1783 to the House of Commons, it was emphasised how such activities were 'a great injury to the fair

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10. Vide infra,

11. ML, Chamber of Commerce MSS, Memorial of the Merchants in Glasgow interested in the tobacco and sugar trade, 7 March, 1783.

12. Vide infra,

trader and also to the revenue' because they had recently increased in extent.<sup>13</sup>

For those who were not willing to accept the risks of smuggling, there was a wholly legal method of avoiding high duties at Greenock and Port Glasgow. It is apparent from contemporary comment that there was a considerable time-lag in the implementation of the increased duties in Irish ports. Alexander Speirs thought in 1781 that the Irish Parliament would not legislate in this regard until 1783, and he therefore emphasised to one of his agents in November, 1781, that the first cargoes of tobacco and sugar from the West Indies in the new year 'should certainly be sold in Ireland to have benefit of the new duty'.<sup>14</sup> Ireland had the reputation of having another advantage: the 'merchants in Glasgow interested in the tobacco and sugar trade' stated that,

... it was believed that in Ireland, tobacco and sugar was [sic] admitted to entry without depositing any duties till they are called for inland sale, which establishes a most evident advantage in favour of the trade of that country and must prove ruinous to this as it will totally prevent the import of tobacco and sugars into Britain, excepting what is barely necessary for the inland consumption.<sup>15</sup>

While making allowances for the hyperbole implicit in the special pleading of the merchants, there seems no denying the fact that some cargoes of tobacco imported by Glasgow interests were being entered not at Greenock or

13. Melville Castle Muniments, GD51/1/354, The Address of the Tobacco Manufacturers of Glasgow to the Hon. Members of the House of Commons. For Tobacco smuggling between the Ayrshire coast and Ireland at this time see L.M. Cullen, Anglo-Irish Trade (Manchester, 1968), 76-90, and for a case-study of its incidence in the Virginia trade see T.C. Barker, 'Smuggling in the Eighteenth Century: the Evidence of the Scottish Tobacco Trade', The Virginia Magazine of History and Biography (October, 1954).

14. GCA, Speirs Papers, TD131/9, Letterbook of Alex Speirs, A. Speirs to Thomas Eden, 18 November, 1781; 20 June, 31 July, 1782.

15. ML, Chamber of Commerce MSS, Memorial of the merchants of Glasgow interested in the tobacco and sugar trade, 7 March, 1783.

Port Glasgow but at Cork and Limerick. Apart from any other consideration, returning vessels would be able to avoid the perilous voyage across the Irish Sea to the Firth of Clyde. As will be pointed out below, in this area shipping was particularly vulnerable to the attentions of enemy privateers.<sup>16</sup>

One other argument might be utilised to justify the suggestion that Glasgow tobacco merchants were, by and large, catering for home demand throughout the American War. Prices generally from 1778 until the end of the war hardly appear to have reached scarcity level. By the second half of 1778, market prices were falling substantially and they continued well into 1779.<sup>17</sup> By the end of 1780 complaints were still being made about the low price of the commodity,<sup>18</sup> and though returns were much better in the autumn of that year and continued into the middle of 1782, the effect of increasing duties and the poor harvest in 1782 further reduced demand once again.<sup>19</sup>

The major sources of tobacco throughout the war remained the rebel colonies of Virginia and Maryland. However, the reduced supply came to the Clyde via the West Indies, ports in the colonies still loyal to the United Kingdom or from areas which the British Army controlled. In 1778-9 and 1783 by far the most important source was New York,<sup>20</sup> which was held by British troops throughout the war. Many of the Scottish factors expelled from Virginia and Maryland fled to this port in 1777-8.<sup>21</sup> They would there-

16. Vide infra, 264-8.

17. NLS, MSS794, A. Houston and Co to John Morgan, 7 December, 1778; ML, Bogle MSS, Bundle 54, John Hyndman to George Bogle, 10 June, 1779.

18. NLS, MSS794, A. Houston and Co to Alexander Houston (Grenada), 15 January, 1781.

19. Knox, op. cit., I, 104, II, 615-17; GCA, TD131/9, Speirs, French and Co to R. Burton, 28 January, 1 July, 1782.

20. Vide infra, 251, Table 14.

21. Vide supra, 198-9.

fore be in an excellent position to organise a limited export trade on behalf of their principals in Glasgow.<sup>22</sup> Cargoes were available from prizes taken by naval vessels and privateers en route for Europe or from stocks captured by British troops.<sup>23</sup> In 1778 over a half of the tobacco registered by Customs as entering the Clyde came from New York. The following year of the 3,051 hogsheads imported, 2,309 originated there. Only in 1781-2 did the area give way to other sources. The only other significant port of export from the North American mainland was Charlestown but importations from there only reached major proportions in 1779-81. Perhaps the most interesting development, however, was the extension of the tobacco trade from Caribbean sources. After making a minimal contribution to total importation in 1778, the West Indies rose to be easily the most important source of supply by 1782.

TABLE 24.

Source of Tobacco Imports, 1778-83  
Greenock and Port Glasgow

(N.B. part of Customs Accounts, 1780, wanting, therefore this year is excluded in table)

Source	1778	1799	1781	1782	1783
New York	795	2,309	106	829	784
West Indies	346	575	432	1,768	526
Charlestown	-	52	475	-	-
Quebec	1	-	-	-	-
Prizes	53	-	-	-	-
Bermuda	-	-	-	-	156
<b>TOTAL</b>	<b>1,195</b>	<b>3,051</b>	<b>1,013</b>	<b>2,597</b>	<b>1,466</b>

SOURCE: Customs Accounts, Greenock - Port Glasgow. See Appendix IV/e-1 for fuller breakdown.

22. SRO, GD247/59/Q/2, John Cathcart to R. Dunmore and Co., 19 March, 1778.

23. The first tobacco from New York in 1778 was described as 'condemned at lawfull prize as per licence from the Viscount Howe, Vice Admiral of his Majesty's fleet'; see SRO, E.504/15/29.

In 1778 it seems clear that the bulk of tobacco coming from the West Indies was being imported by merchants whose interest lay primarily and traditionally in sugar importation,<sup>24</sup> that is they were 'West India merchants' in the sense defined in this thesis.<sup>25</sup> Of the 346 hogsheads shipped from thence 303 were landed by such firms as Alex Houston and Co., Robert Mackay and Co. and John Campbell sen and Co.<sup>26</sup> Much the same situation obtained in 1779.<sup>27</sup> Then only Speirs, French and Co and William Cunninghame and Co., of the former specialists in the Clyde-Virginia trade could be traced as importing tobacco from the Caribbean. Their total of 39 hogsheads compares unfavourably with the gross total of all importers for the whole year of 607 hogsheads.<sup>28</sup> By 1781, however, there had been a far greater penetration of 'Virginia merchants' into the West Indies trade. 185 of the total of 432 hogsheads was imported by these men.<sup>29</sup> Such firms as Speirs, Bowman and Co., Colin Dunlop and Co., James Ritchie and Co and James and Thomas Hopkirk and Co. now figured among the importers. Those persons who had formerly specialised in the Clyde-North America tobacco trade never quite overcame the dominance and experience of the West India merchants; yet there is little doubt of the movement, albeit a belated one, into the Caribbean by tobacco-importing interests. In 1782, out of a total of 1,768 hogsheads coming from there, no less than 926 hogsheads were imported by the latter.<sup>30</sup>

One of the reasons which explains their ability to penetrate into this area was the migration of some Scottish factors from rebel-held areas in

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24. See Appendix IV/e.

26. Appendix IV/e.

28. Ibid.,

30. Appendix I/1.

25. Vide supra, 99-103.

27. Appendix IV/f.

29. Appendix IV/h.

North America to British-held islands in the West Indies. These would then be able to serve as the essential links in a new commercial network. Speirs, French and Co., in the realisation that, with the French declaration of war, the conflict might last for several years, ordered one of their agents in North America to proceed to the British West Indies. He was directed to make purchases of tobacco in either British, Dutch or Danish islands.<sup>31</sup> In addition a switch from one sector of colonial commerce to another was, on balance, a relatively simple matter for some tobacco merchants. As has been seen, most merchants did specialise in either the sugar or tobacco trades,<sup>32</sup> but some Virginia firms had carried on a subsidiary commerce with the West Indian islands. Thus Patrick Colquhoun and Co.,<sup>33</sup> Speirs, French and Co.<sup>34</sup> and Robert Bogle and Co.,<sup>35</sup> prominent tobacco importers had all traded there before 1776. When sugar prices merited it or when the tobacco trade was unpromising 'adventures' were made to the Caribbean.<sup>36</sup> Again, the strong business and personal links among the leading members of the Glasgow colonial merchant community would help. So inter-linked were partnership groups that often a firm specialising in the tobacco trade would have a partner involved in a West India copartnership. Thus Alexander Houston until his death was a member of Cunninghame, Findlay and Co.<sup>37</sup> John Campbell sen. was a shareholder in John Glassford and Co.<sup>38</sup> Arthur Connell, of the

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31. SL, CSP 190/13, Speirs, French and Co to Robert Burton, 10 March, 1779.

32. Vide supra, 99-103.

33. NLS, MS 8793, A. Houston and Co to Gordon, Hamilton and Co., 4 November, 1777.

34. SR0, E.504/28/23.

35. ML, Bogle MSS, Bundle 54.

36. SR0, CE 60/1/8, Collector, Port Glasgow and Greenock to H.M. Board of Customs, 23 November, 1776.

37. PRO, AO 12/56/305.

38. Glasgow Mercury, 19 January, 1790.



famous West India firm of Somerville, Connell and Co was involved in Henderson, McCall and Co., tobacco importers.<sup>39</sup> His partner, James Somervell until May, 1777, had been one of the two main shareholders in Bogle, Somervell and Co. who traded to Virginia and Maryland.<sup>40</sup> Tobacco merchants might join a West India co-partnership and so gain entry to the trade in that way. Thus William Cunninghame became a highly useful member of Robert Dunmore and Co.<sup>41</sup>

Again, there were several instances of experienced West India firms offering aid to relative newcomers. Alex Houston and Co. in March, 1779 were unable to take up the offer of a freight from Tobago; however, they advised the planter in question to make a similar offer to James Ritchie and Co, 'as we are on the very best terms with them, and would incline that their ship should have the preference of the freight'.<sup>42</sup> When Speirs, French and Co's agent arrived in the West Indies, he was to make contact with, among others, Messrs Turner and Paul, the chief agency house of A. Houston and Co. in St Vincents, who would offer him advice.<sup>43</sup> George Bogle commented on 'the friendly support of Messrs Gemmels' (a Greenock West India firm) which he had had in establishing a connection with Granada.<sup>44</sup>

Finally, of course, tobacco firms were well acquainted with the needs of plantation economies and experienced in the supply of stores to them. The

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39. SRO, CE 60/1/10, Petition of Henderson, McCall and Co., 6 November, 1777.

40. SRO, UP 1, Currie Dal B5/8, Thos. Buchanan versus Bogle and Somervell (1778).

41. SRO, GD247/59/Q/Z.

42. NLS, MS 8794, A. Houston and Co to Messrs Turner and Paul, 11 March, 1779.

43. SL, CSP 190/13, Speirs, French and Co to R. Burton, 10 March, 1779.

44. ML, Bogle MSS, Bundle 2, George Bogle to George Bogle sen., 26 March, 1776.

West Indies like the North American colonies, required agricultural implements, clothing and ironmongery.<sup>45</sup> Perhaps the only marked difference in the demand pattern was in the Caribbean's immense purchases of cured fish to feed its slave labour force. Proximity to the herring fisheries of the West Coast afforded both experienced West India merchants and newcomers the means of satisfying this demand. This was particularly large in 1776-7, when the main provision base of the British islands, North America, was all but cut off.<sup>46</sup> In the opening year of war, Glasgow merchants were also fortunate since 'the herring fishery has been remarkably successful this season. The herrings have been remarkably large and the demands so great for foreign markets and the West Indies, that several thousand barrels have been shipped off within these few weeks'.<sup>47</sup> Tobacco merchants were likely to have solid business connections with the herring fishers. Until the outbreak of war with France in 1778, the main source of salt for west coast and Clyde curers was the salines of the Bay of Biscay. This was brought to Greenock and Port Glasgow in ships owned by Glasgow tobacco merchants 'who must otherwise have ordered their vessels home in ballast' after their cargoes of tobacco had been landed at Bordeaux.<sup>48</sup>

It seems clear from the information given in the Greenock and Port Glasgow Customs Accounts, that only a minimal proportion of the tobacco imported from the West Indies was actually grown there. The area of cultivation in

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45. The fact that the needs of each area were very similar is made clear in the Customs Accounts.

46. Edinburgh Evening Courant, 13 May, 1776. Vide supra, 163-4 for a fuller discussion of the herring fishery.

47. Ibid., 10 February, 1776.

48. SRO, CE 60/1/10, Collector, Greenock and Port Glasgow to H.M. Board of Customs, 23 June, 1778.

most cases was North America, in particular the 'tobacco colonies' of Virginia and Maryland. For example, of the 200 hogsheads shipped to Greenock from Jamaica, St. Kitts and St Vincents in 1779, only 38 hogsheads were actually produced in the British Caribbean. The vast proportion had been brought into these islands from neutral sources such as St. Thomas and St Eustatius and had been sold there by American merchants. Alternatively it was prize tobacco taken by the Royal Navy or by privateers.<sup>49</sup> Equally the West Indies became one of the market places in which Scottish merchants might continue to supply the rebellious colonies with the commodities which had been in demand before 1776.<sup>50</sup> At least from 1781, Congress was making determined efforts to stop this traffic and according to one merchant 'seizes all that is to be found'.<sup>51</sup> Yet government edict could only reduce the level of intercourse not eliminate it completely. As David Macpherson pointed out the neutral islands in the West Indies were the essential media for enabling the interchange of British goods for rebel tobacco,<sup>52</sup>

these islands were soon filled with British manufactures, which were exchanged for American provisions, lumber, tobacco and other produce to the great emolument of the dealers on both sides. <sup>53</sup>

Specialists in the pre-1775 tobacco trade also became involved in the importation of the staple product of the Caribbean - sugar. Again it is noteworthy that such firms did not really attain any significance in this

49. SRO, E.504/15/31-2.

50. GCA, Speirs Papers TD131/9, A. Speirs to George Gibson, 7 February, 1782.

51. Ibid.

52. Macpherson, op. cit., III, 719-20. See also Lord Sheffield, Observations on the Commerce of the American States (London, 1783), 250.

53. Ibid., 591. See generally L.F. Jameson, 'St. Eustatius in the American Revolution,' American Hist. Rev., VIII (1903), 683-86.

trade until 1778-9. This fact would appear to reinforce the point that Glasgow tobacco merchants were awaiting the inevitable return of normal relations between mother country and colonies in the first two years of the war. Only when British arms proved less than invincible and France entered the conflict did a full scale adjustment to what might well be a permanent situation begin.<sup>54</sup> Previous to 1779, the sugar importing trade had been not only dominated but monopolised by firms whose traditional interests had lain in Caribbean commerce - Robert Mackay and Co., Robert Dunmore and Co., Alex Houston and Co and Somervell, Connell and Co.<sup>55</sup>

In 1778 the first important sugar importations by tobacco firms from the Caribbean took place since the beginning of the war. Patrick Colquhoun and Co and William Cunninghame and Co brought 25 and 20 hogsheads respectively of 'brown or muscavade sugar the produce of the British plantations' to the Clyde.<sup>56</sup> The following year such units as Andrew Sym and Co and Cross, Baird and Co were represented,<sup>57</sup> but the connection was still patchy and weak. No reference is made to sugar imports by Colquhoun and Co or Cunninghame and Co in the 1779 Customs Accounts<sup>58</sup> and in the two years 1778-9, of a total of 11,256 hogsheads imported into Clyde ports, firms specialising in the former Virginia or Maryland trades only contributed a maximum of 311.<sup>59</sup> There were more significant developments in 1781-2 when such companies as Colin Dunlop and Sons, John Alston and Co., William Cunninghame and Co., Dirwiddie, Crawford and Co. were found among the list of sugar importers.<sup>60</sup> Again,

54. Vide supra, 178-80 for other evidence on this point.

55. SRO, E.504/28/26-9; E.504/15/26-30. See Appendix VI/a-d.

56. SRO, E.504/15/29-30; E.504/28/28-30. See Appendix III/D.

57. Appendix VI/e.

58. Ibid.

59. Appendix VI/d-e.

60. Appendix VI/f-g.

however, they shipped home a very limited proportion of total imports for these two years: 386 out of 7,210 hogsheads.<sup>61</sup> Almost certainly this does not represent the sum total of the involvement of such interests in Clyde-Caribbean commerce: especially in 1781-2, neutral vessels were being freighted from the West Indies by Glasgow merchants for voyages direct to the Continent.<sup>62</sup> Their cargoes were not likely to be assiduously noted by a Clyde Customs official. On the other hand, there is no reason to suppose that former tobacco firms had a disproportionate interest in such activities.

On the whole, therefore, it must be concluded that there was no comprehensive movement of tobacco companies away from American commerce into trade with the West Indies.<sup>63</sup> At least for the period of hostilities, the linkage between the two was through the more subtle mechanism of movement by individual 'Virginia merchants' into West India copartneries and by the existing diversified nature of the colonial merchant community which allowed some men to have interests, long before 1775, in firms which operated in both sectors of commerce.

Tobacco merchants might hope to continue trade with rebellious Americans through such areas as Canada and Florida. Although, as can be seen from the Customs Accounts, little tobacco filtered out from these sources,<sup>64</sup> they did offer indirect routes by which Glasgow merchants might try to supply customers in Virginia and Maryland. As early as January, 1775, non-importation arrangements among several of the American states had given merchants in Quebec, Nova Scotia, Georgia and Florida an awareness of the potential of

61. Ibid.

62. Vide infra, 292.

63. This would challenge the arguments of Hamilton, op. cit., 271; Robertson, loc. cit., 125.

64. See Appendix IV/b-1.

such areas if a total breakdown in relations took place between colonies and mother country. One journal noted,

Several of the most considerable merchants and manufacturers, have by the last packet boat from America received large orders from the provinces of Quebec, Nova Scotia, Georgia, East Florida and West Florida; all of which provinces have dissented from the resolution of the American Congress; and their merchants are resolved, if possible, to profit by the large quantity of all sorts of British goods, which they expect to smuggle into the other provinces. On which account they are all busy at work; and there are no less than sixteen ships lying too to load for the single province of Georgia at present. <sup>65</sup>

It was pointed out at the same time how Glasgow merchants had received considerable orders from Quebec. <sup>66</sup> One contemporary two years later, while emphasising how 'trade in general was never known to be so brisk' as it was in the first few months of 1777, described how,

in the last six weeks, the merchants of Glasgow and Greenock have loaded, and sent forth for New York and Halifax no less than ten or twelve ships, with all sorts of merchant goods, besides many ships lying too [sic] daily for the same purpose. <sup>67</sup>

The Customs Records certainly substantiate this view of such activity in the first two years of war. For example, Scottish exports to Canada rose from £4,742 in 1774 to £12,882 in 1775 and to £28,215 in 1777; Nova Scotia, of little account before the war, took goods to the value of £126,136 in 1777. <sup>68</sup> Between January-April, 1776, the total number of ships freighting from the Clyde for North America and West Indies was 22; of these only two gave a port in North America as their avowed destination. <sup>69</sup> In the same period a year later, the respective numbers were 8 and 10. <sup>70</sup> Progress was mentioned

65. Caledonian Mercury, 11 January, 1775. 66. Ibid., 14 January, 1775.

67. Edinburgh Evening Courant, 8 January, 1777.

68. PRO, Customs 14/1B, 14/2, quoted in Hamilton, Economic History, 270.

69. SRO, E.504/28/25; E.504/15/26. See Appendix VII.

70. SRO, E.504/28/27; E.504/15/27. See Appendix VII.

in the following year when between April and August 13 vessels freighted at Greenock and Port Glasgow for North America.<sup>71</sup> By January-April, 1779 the turning point had been reached: only 11 ships were then destined for this area.<sup>72</sup> Between July-December, 1782 of nineteen vessels sailing for the Caribbean and North America only one was bound for the latter area.<sup>73</sup>

By and large Glasgow merchants appear to have concentrated on Nova Scotia, Quebec and New York rather than on Florida. Of the ten ships freighting for North America in the two periods January-April, 1776-7, seven sailed for Nova Scotia and two for Quebec.<sup>74</sup> The popularity of Nova Scotia is not easily explicable. However, Greenock merchants seem to have had strong connections with Newfoundland and Nova Scotia. Many of them were involved in the shipping of dried fish from these areas to Iberia.<sup>75</sup> Such contacts could be exploited by Glasgow tobacco merchants. In addition, of course, there had been personal links between Nova Scotia and Scotland from the early seventeenth century.<sup>76</sup>

By 1778 a much more variegated pattern had evolved although Newfoundland and Nova Scotia still attracted seven vessels with New York and Philadelphia following behind with four and two ships apiece.<sup>77</sup> In 1779 the positions had been reversed: in January to April of that year only two vessels freighted for Nova Scotia, four for St. Augustine and one for Pensacola.<sup>78</sup>

71. SRO, E.504/28/29; E.504/15/28. See Appendix VII.

72. SRO, E.504/28/30; E.504/15/30. See Appendix VII.

73. SRO, E.504/28/34-5; E.504/15/36-7. See Appendix VII.

74. For verification of this point see Appendix VII.

75. See, for example, SRO, RH 15/335, Sederunt Book of John Crawford and Co., 24-33.

76. G.P. Insh, Scottish Colonial Schemes (London, 1922) passim; Gordon Donaldson, The Scot Abroad (London, 1966), 34-5.

77. Appendix VII.

78. Ibid.

Tobacco merchants were the progenitors of these extensions in Clyde commerce. In April-August, 1778, among the firms freighting to Nova Scotia, New York and Philadelphia, were Speirs, French and Co., Hugh Wylie and Co., William Cunninghame and Co., Glassford, Gordon and Patrick Colquhoun and Co.<sup>79</sup>

The continuation of Clyde-North American commerce through these channels ought, however, to be kept in firm perspective. Basically, Glasgow trade to North America during the war, even by these indirect routes, was but a shadow of its former self. The thirteen ships freighting for this area in April-August, 1778 (the high point of wartime commerce with Canada and New York), must be compared with the average of 40 in the same period in 1773 and 1774 loading for ports in Virginia and Maryland. Owners of manufactories in Glasgow which had grown up to cater for the needs of the colonists and of their plantations were only too well aware of the shrinkage which had taken place in the American market due to the rebellion. The partners of the Glasgow Tanwork Company lamented in 1778 how 'the manufactures of the Company being chiefly adopted to the American market, the sale of their goods now on hand the very existence of the manufacture in a great measure depend on the manner in which this unhappy contest will terminate'.<sup>81</sup> Because of the war the partners insisted that they had on hand 'goods manufactured and unmanufactured to a great value which they have no immediate prospect of selling'.<sup>82</sup> Elaborate plans were therefore drawn up in case of bankruptcy.<sup>83</sup> The Americans themselves, much to the chagrin of the Glasgow merchants, were shipping tobacco direct to the Continent and for the return journey loading German and Dutch cloth and ironmongery which had previously found its way into outgoing Clyde vessels.<sup>84</sup>

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79. SRO, E.504/15/29; E.504/28/29.

80. SRO, E.504/15/21,23; E.504/28/22,24.

81. SRO, Reg. of Deeds, 232/817 MACK, Agreement between the partners of the Glasgow Tanwork Co.

82. Ibid.

83. Ibid.

84. Edinburgh Advertiser, 29 July, 7 October, 1777.



II

Clyde-Caribbean commerce had expanded significantly in the decade before the outbreak of the American War. Sugar, the staple export of the British islands, was coming into Greenock and Port Glasgow at the rate of 29,334 cwts in 1765; by 1770 this total had increased by over 100 per cent to 62,436 cwts.<sup>1</sup> Thereafter, the steady progress of the sugar trade began to be affected by the American War of Independence:<sup>2</sup>

TABLE 25: Clyde Sugar Imports, 1773-1783

1773	:	2,511	hogsheads
1774	:	1,900	"
1775	:	-	Customs Accounts incomplete
1776	:	2,762	hogsheads
1777	:		Customs Accounts incomplete
1778	:	6,374	hogsheads
1779	:	4,982	"
1780	:		Customs Accounts incomplete
1781	:	3,200	hogsheads
1782	:	4,010	"
1783	:	6,327	"

SOURCE: SRO, E.504/28/22-36;  
E.504/15/22-38.

Given the above figures, it would clearly be wrong to suggest that the war exerted a dampening influence on the sugar importation trade in every year between 1775-83. At no point during the period of hostilities did sugar imports fall below the level of 1773 or 1774. Although the incompleteness of certain sections of the Customs Accounts makes any conclusion on this matter a hazardous one, the table does show that the effect of the war was to

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1. PRO, Customs 14,
  2. For a fuller breakdown see Appendix VI/a-h.

cause stagnation in trade rather than dramatic disruption of Clyde-Caribbean commercial relations. After a massive increase from 2,762 hogsheads of sugar imported in 1776 to 6,374 hogsheads in 1778, the trade levelled off and declined for the following four years.<sup>3</sup> This section attempts to probe in detail the activities of the individual West India houses which lay behind these aggregate figures, to suggest the problems they faced in trade with the Caribbean during the war and to point to some of the methods used to circumvent these problems.

In the public eye perhaps the most striking of these problems was the seeming ubiquity of American privateers in the years 1776-7 and the attentions of their French allies in the years after 1778. Danger to their shipping from enemy attack was a relatively novel experience for Glasgow colonial merchants. Daniel Defoe pointed out how in the 1750s, Glasgow vessels were relatively safe in this regard,

The Glasgow vessels are no sooner out of the Firth of Clyde, but they stretch away to the north-west, are out of the road of the privateers immediately, and are often at the capes of Virginia before the London ships get clear of the Channel.<sup>4</sup>

Professor Price has noted how it was not until the latter stages of the Seven Years War, in the early 1760s that French privateers had penetrated the northern sea-lanes in force.<sup>5</sup> Glasgow's commerce had developed immeasurably from that period and the American rebels would be likely to have personal knowledge of the rich pickings to be made from it. As early as September - October, 1775 the colonials began to fit out privateers (always the weapon

3. The table of total sugar imports into Scotland in 1780 (missing from Table 18 above) shows that the 'levelling off' process continued in that year; see Hamilton, *Economic History*, Appendix XI.

4. Quoted in McCure, *op. cit.*, 313.

5. Price, *loc. cit.*, 305.

of the weaker power in time of war) at Philadelphia, Boston and other ports.<sup>6</sup> In 1776-7 such activities continued and a Scottish newspaper in May, 1777 reported with some alarm that on the twenty fifth of that month, twenty one privateers, carrying 388 guns and 846 men left Boston.<sup>7</sup> One calculation estimated that in the first two years of hostilities the Americans had over 170 such vessels at sea of varying sizes and capabilities.<sup>8</sup> No time was wasted in deploying them in the main sea-lanes of the Atlantic and 'very soon they swarmed round every one of the West Indian islands.'<sup>9</sup>

The convoy system was set up to protect merchant shipping, but apart from the imperfections of the system itself,<sup>10</sup> Glasgow ships were vulnerable and almost unprotected by naval escort in two critical areas - in the Clyde Estuary and in the Irish Sea and around the islands of the West Indies. The harbour of Cork was at once the main assembly point for outgoing convoys and also an attraction to Glasgow West India vessels since from the beginning of the war it had acted as a major provisions base for the Caribbean.<sup>11</sup> From 1776 until the winter of 1778 no official naval escort was supplied for the voyage from the Clyde to this port.<sup>12</sup> In 1776-7 the necessity of transporting an army to North America and provisioning it once there had left only ten frigates in home waters, of which six at that time were under repair.<sup>13</sup>

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6. Gomer Williams, History of the Liverpool Privateers and Letters of Marque with an Account of the Liverpool Slave Trade (1897, new imp., London, 1966), 181.

7. Edinburgh Evening Courant, 21 July, 1777.

8. Williams, op. cit., 181. 9. Ibid. 10. Vide infra, 276-9.

11. Ireland gradually replaced the American colonies as the source for West India provisions during the war. Restrictions on trade with the West Indies from Ireland removed in 1778 by 18 Geo III c 55, continued from 1780 by 20 Geo III, c 10; Glasgow merchants left agents in Cork who maintained close links with provision contractors, SR0 GD247/59/Q/2, W. Crawford to R. Dunmore and Co., 18 August, 1778. Cork was also the major depot for shipment of army provisions; Syrett, op. cit., 44.

12. Glasgow Mercury, 22 September, 1778.

13. M.K. Darritt, 'The Navy and the Clyde in the American War, 1777-83', The Mariner's Mirror, 55 (1969), 33.

In addition, the Admiralty's traditional desire for financial retrenchment during years of peace meant that trade tended to suffer severely in the early years of war and in these economy drives the smaller ships, the type well adapted for convoy duty, were the main sufferers.<sup>14</sup>

In the 1760s and 1770s the problem was likely to be particularly chronic. The Seven Years War, ending in 1763, had left the country £112 millions in debt and thus the tendency to pennypinching accelerated from that date until 1775. Of the eighty ships of the line required during wartime, none was in service in the months before 1776.<sup>15</sup> The petitions of Glasgow Town Council and the Conventions of Royal Burghs in 1777 for Admiralty assistance against 'the alarming depredations made by rebel privateers' were unlikely to shift the Royal Navy's concentration on its major role of supplying and transporting the army, a task which exhausted most of the energies of a service notoriously dilatory in awakening from its peacetime somnolence.<sup>16</sup> The only crumb of comfort for Glasgow's commercial interests was in July, 1777 when HMS Arethusa proceeded north and began to cruise between the Mull of Kintyre and Belfast Lough.<sup>17</sup> Yet the specific request for an escort (or escorts) for 'the trade of Glasgow' was refused: 'it would be impossible for their lordships to station a ship for the protection of each port, more especially while so great a part of the fleet is stationed in America and the Indies'.<sup>18</sup>

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14. Sir Herbert Richmond, 'The Navy', in A.S. Turberville (ed.), Johnson's England, An Account of the Life and Manners of his Age (Oxford, 1933), I, 40-1.

15. Ibid.

16. For these petitions see GCA, Council Minute Book, C1/1/36/97, 9 Sept., 1778; Edinburgh Evening Courant, 5, 26 July, 1777; Caledonian Mercury, 2 July, 1777.

17. Edinburgh Evening Courant, 2 July, 1777.

18. Ibid., 26 July, 1777, (Copy), Phillip Stephens, Secretary to the Admiralty to the Magistrates and Council of Glasgow.

More promising were developments in March, 1778 when two out of the eight armed ships fitted out for coastal protection arrived in the Clyde.<sup>19</sup> Such generous support was likely to be short-lived, however, as with the entry of France into the war, Government had to find ships to contain the enemy Channel squadrons and to conduct operations in what was developing into a global conflict.<sup>20</sup> Thus the Clyde was left with a single 'armed ship', HMS Satisfaction, one of the two arrivals of March, 1778. This vessel unfortunately belied her name: she had originally been built as a collier, sailed heavily and, it was alleged, could hardly keep up with a loaded merchantman. Hugh Wylie, Lord Provost of Glasgow and himself extensively involved in colonial trade, complained to the Admiralty how although the Clyde estuary was 'very much infested with privateers' they had escaped with impunity due to the demonstrable inadequacies of the Clyde's 'guardship'.<sup>21</sup> However, the Clyde was even stripped of this protection and the Satisfaction sailed for London in December, 1780. A request for a standing convoy for the shipping of Greenock and Port Glasgow had already been turned down in August, 1778; it would be supplied, 'as soon as the various services which have claim to their Lordships' attention will admit of it.'<sup>22</sup>

Efforts were redoubled with the departure of the Satisfaction and in April, 1781, the frigate HMS Seaford was despatched to the Clyde.<sup>23</sup> This was the first direct protection of any validity afforded Glasgow shipping.

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19. Glasgow Mercury, 12 March, 1778.

20. For naval strategy during this period see Sir W.L. Cloves, The Royal Navy from the Earliest Times to the Present (London, 1897-1903), III, 21 ff.

21. Hugh Wylie and John Campbell to Phillip Stephens, 15 December, 1780; Wylie to John Crawford, 1 December, 1780 in SHR XVI (1919).

22. Glasgow Mercury, 22 September, 1778.

23. GCA, Town Council Minute Book, C1/1/36/444.

by the Royal Navy from the outbreak of war. Even then the situation was not wholly satisfactory. Glasgow's Lord Provost complained about insufficient liaison between the commander of the vessel and the merchants of the town. The former was to be under complete Admiralty control and because of this, the Seaford,

... can be of little service to the Trade of this river for unless the Chief Magistrate have it in his power to order a convoy to Cork or out to the North Channel or to cruise as the circumstances of the times may require, she will do us very little service. <sup>24</sup>

Protection of some sort was clearly necessary during the war whether it was supplied by government or by local initiative. In 1776-7, American privateers were allowed to rampage almost at will in the two narrow channels of the Firth of Clyde - the North and St. George's. Five appeared off Ireland in November, 1776, and rumour rapidly spread up the West Coast that to use a contemporary euphemism, they intended to 'visit' Greenock and Port Glasgow. <sup>25</sup> Three more appeared in the spring of 1777 - the Reprisal (18 guns and 130 men), the Lexington (16 guns and 110 men) and the Dolphin (10 guns and 64 men). They 'intended visiting Clyde very soon and could tell directly what troops and ships there were there and how many were expected in the next West Indies fleet'. <sup>26</sup> Throughout July and early August, the Clyde and the West Coast were in a state of panic. It seems likely that the Americans previously concentrating their activities on the wider stretches of open sea 'especially the tracts to and from the West Indies', <sup>27</sup> were now adopting a new and more efficient strategy. They were attempting to bottle

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24. H. Wylie to John Crawford, 11 April, 1781 in SHR XVI (1919).

25. Edinburgh Evening Courant, 23 November, 1776.

26. Ibid., 5 July, 1777; Caledonian Mercury, 30 June, 1777.

27. NLS, MS8793, Alex. Houston and Co to Rev. Hugh Knox, 14 October, 1776; to Captain Daniel Graham, 4 January, 1777.

up enemy commerce in its home ports, attack it on the outward or inward voyage and so take full advantage of the inadequacies in Royal Navy resources. Fears were even expressed that landings might be made by the rebels: at Ayr, in response to these fears, the good citizens of the town hastened to remove their 'valuable furniture' further inland in July, 1777.<sup>28</sup>

Loss of merchant vessels reached a dangerously high level during the summer of 1777. In June fourteen merchantmen were taken by the Americans and in the following July, between the fifth and fourteenth of the month, nine vessels were lost.<sup>29</sup> Although this year was perhaps the worst period for Glasgow shipping, basically because of the unprepared nature of its defences,<sup>30</sup> the years 1780-1 approached it in the intense nature of enemy attacks. Hugh Wylie warned Captain Christian of HMS Seaford in April, 1781 how 'many vessels have been captured of late years in and about the North Channel and there is but too much reason to fear that more enemys will infest those seas than hitherto....'<sup>31</sup> Sailing in company was no guarantee of protection. On 23rd June, 1780, the Catherine, bound for Jamaica, the Venus and the London for Georgia, and the Margaret for New York 'all belonging to Clyde' were taken after a day's sail from Port Glasgow by a French man o' war of 64 guns.<sup>32</sup> John Knox thought that the Clyde lost 313 vessels 'of various sizes' during the American War.<sup>33</sup> Although he almost certainly exaggerated, it is equally certain that losses were on a considerable scale.

Given governmental impotence for long stretches of the war, local

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28. Edinburgh Evening Courant, 12 July, 19 July, 1777; Scots Magazine, June, 1777.

29. Ibid., July 19, 1777; Caledonian Mercury, 30 June, 1777.

30. Vide infra, 269-71.

31. H. Wylie to Captain B. Christian, 18 April in SHR XVI (1919)

32. Glasgow Mercury, 6 July, 1780. For other captures see ibid., 10 August, 1780; 28 June, 1781.

33. Knox, op. cit., II, 533-4.

initiative would have to fill the gap. The most effective means of ensuring at least a modicum of protection for merchant vessels was by arming them. It is very probable that the refusal to undertake this expensive fitting out of merchantmen in 1775-7 explains the extreme vulnerability of Glasgow shipping in that period. Advertisements for outgoing ships in the Glasgow Mercury only begin to indicate that most vessels have been armed in the autumn of 1777 and more especially in the summer of 1778.<sup>34</sup> Even a wealthy firm like Alexander Houston and Co only began to realise, with the entry of France into the conflict in 1778 that the war was likely to be lengthy and thus proceeded to arm their ships:<sup>35</sup>

TABLE 26

Armament of A. Houston and Co's Ships, 1778-83.

<u>Sally</u>	10 Carriage Guns 6 Swivel Guns
<u>Juno</u>	10 Six Pounders 4 Cobans
<u>Jupiter</u>	18 Carriage Guns 6 Nine Pounders 6 Swivels
<u>Castlesemple</u>	12 Six Pounders 2 Cobans
<u>Robert</u>	8 Carriage Guns

Most vessels were fitted with Carron Company's famous product, the carronade. A Company advertisement in 1779 pointed out that 'the spirit of enterprise... of the mercantile gentlemen of the city of Glasgow never appeared with greater lustre than in their exertions for the security of their commerce by arming with these guns'.<sup>36</sup> Unlike heavy cannon they did not reduce a ship's speed

34. See Glasgow Mercury, 1775 - August, 1777, passim.

35. NLS, MS 8793-4; MS 8759.

36. Quoted in R.H. Campbell, Carron Company (Edinburgh, 1961), 191.



markedly. The gun was 'so extremely light that the smallest ship can carry almost any weight of shot without being attended with the inconvenience imputed generally to light guns'.<sup>37</sup> Merchant skippers testified to the capabilities of the weapon. Captain John Hastie, pointed out that 'our carronades were of great service' in an engagement with a French privateer in August, 1778.<sup>38</sup> Similar praise was given by another master after a skirmish with a large French ship, La Nymphe.<sup>39</sup> The captain of the Sharp of Glasgow attributed his escape from an American privateer near Cape Clear to the efficiency of his carronades and he 'intended never to arm with anything else in the future'.<sup>40</sup>

Another method of protection attempted was by means of mercantile co-operation. The merchants of Port Glasgow, Greenock and Glasgow agreed to subscribe £3,000 for the fitting out of three armed ships in the crisis period of June - July, 1777<sup>41</sup> so that, wrote a contemporary,

We hope soon to be able to protect our trade without the assistance of government, who it seems, cannot spare us any frigates at present.<sup>42</sup>

So urgently was some form of defence required that the sum was subscribed in a day;<sup>43</sup> seamen were easily hired because of 'the stop to the American trade leaving half of them idle';<sup>44</sup> 100 men were enlisted, 600 stand of arms was brought down from Dumbarton and stores and ammunition were made ready.<sup>45</sup> There was a spirit of adventure among the members of the expedition: the Scots Magazine reported that 'the sailors are so keen ... that

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37. SRO, GD247/59/P/2, Advertisement on carronades published by Robert Dunmore and Co.

38. Glasgow Mercury, 22 September, 1778.

39. Ibid., 21 October, 1779.

40. Campbell, Carron Company, 191.

41. Scots Magazine, June, 1777.

42. Edinburgh Evening Courant, 16 July, 1777.

43. Scots Magazine, June, 1777.

44. Quoted in Barritt, loc. cit., 34.

45. Scots Magazine, June, 1777.

in case of calm weather they are taking plenty of oars on board'.<sup>46</sup>

Whatever the psychological benefits which might be derived from showing the flag the first sortie of the squadron arguably did more harm than good. The picturesquely named Charming Fanny had to put back to port while the Katie and Ulysses set out for an eight day cruise against the American marauders. The Katie sighted a merchant vessel and a brig but did not follow; the Ulysses had the embarrassing task of escorting an English ship into Greenock. The latter's master had taken the Ulysses to be an enemy privateer and thrown his papers overboard. Indeed, the one concrete result seems to have been to make confusion worse confounded in the Irish Sea: 'several other brigs, sloops and boats were greatly frightened and almost went ashore to keep from them'.<sup>47</sup> The dénouement of the farce came when the two vessels put into Belfast for information,

The Mayor and aldermen held a council to take the Captain and the principle [sic] officers into custody, under suspicion of their being American privateers, but on finding they were fitted out to protect the trade of Clyde, they desisted from their purpose. On the other hand when their real designs were made public a mob, instigated by a native of America, had nearly arose to maltreat them...'<sup>48</sup>

A third means of defence was the construction of shore batteries: these, at least, would safeguard the anchorages. In addition, financial compensation by government was likely to be forthcoming since such a venture fitted in with military strategy for the defence of the west coast. Sir Adolphus Oughton, Commander-in-Chief, Scotland, had in fact written to the Lord Provost of Glasgow in September, 1778, noting that there was 'ground of belief' an invasion might be attempted on the west coast and desiring

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46. Ibid.

47. Edinburgh Evening Courant, 26 July, 1777

48. Ibid.

the Town Council to commission some cannon from Carron Co for fortifying Greenock'.<sup>49</sup> A few weeks later, Lord Frederick Campbell, Commander of the Western Fencibles, quartered in Greenock, was authorised by the Town Councils of Glasgow and Greenock to erect a battery 'for the defence of shipping belonging to the River Clyde and West Coast'.<sup>50</sup> Twelve cannon were delivered from Carron and when work was completed the two towns were compensated for their expenditure by the Government.<sup>51</sup>

At the other end of the West India merchant's voyage - the islands of the Caribbean - problems were just as likely to exist. The nature of the inter-island sea routes was such that the enemy privateer was almost invulnerable to control by the Royal Navy. Line-of-battle ships were almost useless for everyday cruising among the numerous islands: privateers could escape into refuges where the more unwieldy men o' war found it impossible to follow.<sup>52</sup> The observations of one Dominican planter must have been fairly typical of the time. He reported that in June, 1777 there were operating near the island several American privateers of thirty-six guns and 'an innumerable number of smaller ones, which, he indicated, 'it is very difficult to get hold of, as our ships upon the station are too large and too dull sailers to come up with them'.<sup>53</sup> In addition, it may be questioned whether the Navy had any real heart for pursuing privateers in this area. Few were large or heavily armed and the capture of one would mean meagre prize money for officers and men in relation to the trouble involved.<sup>54</sup>

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49. GCA, Council Minute Book, Cl/1/36/97, 9 September, 1778.

50. Ibid; George Williamson, Old Greenock (Paisley, 1880), 168.

51. GCA, Council Minute Book, Cl/1/37/463.

52. Richard Pares, War and Trade in the West Indies, 1739-63, (Oxford, 1936), 293.

53. Edinburgh Evening Courant, 9 August, 1777; Extract of a letter from a gentleman at Dominica to his friend at Edinburgh, dated 11 June, 1777.

54. Ibid., 20 August, 1777, Extract of a letter from St. Vincents, 10 June, 1777.

Efforts were certainly made to set up local island-to-island convoys on an ad hoc basis but the nature of Caribbean commerce proved a decided obstacle to their success.<sup>55</sup> The fact that supercargoes often had specific instructions on the length of stay in a particular port and the need to obtain a full freight at any cost because of steeply rising running expenses,<sup>56</sup> tended to erode their effectiveness. One gains the impression that Glasgow merchants, many of them fresh to the trade, especially after 1779, would be at a particular disadvantage.<sup>57</sup> Several were still in the process of making regular contact with planters and could not therefore predict a full freight of sugar, cotton or rum awaiting them when their ships put into a particular port.<sup>58</sup> This situation could mean 'ships swarming about the seas scuttling imprudently from island to island in pursuit of the last halfpenny of profit',<sup>59</sup> and this in turn rendered them easy prey for the lurking privateer. Once the convoy assembly point was reached - the Jamaica fleet rendezvoused at Bluefields Bay - the merchant ship was comparatively secure. There were, however, exceptions to this general rule. The perennial storms of the Caribbean could scatter a convoyed fleet, inadequate liaison between escorting captain and merchant skipper might have unfortunate results and, after 1778, anticipation of fleet engagements between the French and Royal Navies could mean that merchantmen were stripped of their escort.<sup>60</sup>

The perils of wartime commerce were represented in the merchant's account-

55. NLS, MS8793, A.H. and Co. to Messrs Turner and Paul, 6 March, 1777.

56. Vide infra, 282.

57. Vide supra, 256-8.

58. Ibid.

59. Pares, op cit., 258.

60. For examples of the above see SRO GD247/140, Petition of Robert Dunmore and Co. to Lords and Council of Session, 17 Jan., 1786; NLS, Charles Stewart Letterbooks MS 5031, Thomas Riddoach to Charles Stewart, 20 July, 1779; SRO, GD 247/59/Q/2, W. Cunninghame to R. Dunmore and Co., 2 July, 1778

ing by the rise of insurance premiums. The defeats on the North American mainland, the entry of more powerful enemies into the fray after 1778 and the persistent shipping losses all gave a boost to premiums as the war progressed. Rates from the West Indies to Clyde, always higher than the voyage outward because of the greater and more valuable cargoes, rocketed from 13 guineas per cent (with 5 guineas returnable for convoy) in June, 1777 to 25 guineas per cent (with 10 guineas returnable for convoy) in March of the following year. In August, 1780 this rate still prevailed.<sup>61</sup> For Clyde - West Indies, the premium which stood at 7 guineas per cent in October, 1776 was 20 guineas per cent (with return of 10 for convoy) in the same month two years later.<sup>62</sup>

It would appear indeed that as the war dragged on, even high premiums became insufficient to compensate underwriters for risks. Thus as early as the summer of 1777 - doubtless due to the carnage on the Caribbean - Clyde sea lanes - it was reported that most of the Glasgow underwriters had 'given up the trade' and that it was 'difficult to get a large sum done even at London'.<sup>63</sup> Almost certainly this extreme situation was a temporary response to the very heavy shipping losses of that period. However, certain areas were especially unattractive to underwriters. The inter-island trade in the West Indies was one of these. Insurers were 'very shy of West India risks' and in 1778 they refused to insure craft plying between St. Kitts and St. Croix.<sup>64</sup> Persons with surplus funds in the later stages

61. NLS, MSS 8793-4, 8759; SRO, GD 241/1, Insurance Notes, 1779. See Appendix XII/a for a more detailed breakdown.

62. Ibid.

63. NLS, MS 8793, Alex. Houston and Co. to Messrs Houston and Paterson, 5 June, 1771. See Appendix XII/b for examples of local underwriting.

64. SRO, GD247/59/0/2, Henry Clarke to R. Dunmore and Co., 17 February, 1778; NLS, MS 8794, Alex Houston and Co. to David Macfarlane, 28 January, 1778.

of the war were perhaps more likely to invest in government stock which was becoming more lucrative and represented a more secure method of obtaining returns.<sup>65</sup> Moreover the underwriting system, though doubtless satisfactory in general, did not always guarantee speedy compensation for loss of ship or cargo. The complex nature of many policies could lead to endless legal debate over whether a shipowner was entitled to the insured sum or whether he had in some way failed to conform to the regulations set out by the underwriters. The obvious difficulty of obtaining objective evidence from owners and ships captains clearly added to this problem.<sup>66</sup> To this perennial hazard was joined the less common danger of underwriting bankruptcies. In 1778-9 these were extensive in London to whose underwriters Glasgow merchants were increasingly turning for insurance cover.<sup>67</sup> Alexander Houston and Co spoke of 'the several failures among the underwriters at London' in March, 1778 and how as a result they had recovered nothing from the loss of two of their ships.<sup>68</sup>

The underwriting system whatever its mild defects was an essential support to commerce during wartime. The very marked differences in premiums sailing with rather than without convoy ensured that most merchants chose to send their vessels by convoy. The difference between the two rates could be as much as 100 per cent: premiums for West Indies - Clyde voyage in March, 1778 were 20-25 guineas, but 10 guineas were returnable

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65. Vide infra, 303-5.

66. For one example of the kind of tortuous wrangles which could ensue see SRO, GD 247/140, Petition of R. Dunmore and Co. ... 17 January, 1780.

67. John, loc. cit., 127; PP, Report from the Select Committee on Marine Insurance, IV, 1810, 47; SRO, GD 247/140.

68. NLS, MS 8759, Howe Letterbook H, A. Houston and Co to W. Crichton, 12 June, 1778.

if the ship sailed with convoy.<sup>69</sup> Henry Clarke, Robert Dunmore and Co.'s insurance adviser in London, reported to the house in Glasgow that 'Adventures to the West Indies even with Convoy are very difficult risques even at very high prices and ships of small force going in company little regard pass'd to it'.<sup>70</sup> Clarke had actually tried to arrange a policy for the Janet Laurie in February, 1778 to sail 'in company with a number of arm'd West India men ...'. He reported that,

It was with much difficulty I effected this as our underwriters are very shy of West India risques unless really intended to go with convoy or of considerable force; besides the number of men is also as material as the guns. 71

Disadvantages were intrinsic in the convoy system, even if exogenous elements such as storms, which might scatter a fleet, or inadequate liaison between escort and merchant vessels,<sup>72</sup> did not intervene. Delay was in the logic of any convoy. The speed was that of the slowest vessel in the fleet, and days were sometimes spent waiting for latecomers and for the naval escort to arrive. The Clyde left Jamaica on April 29, 1778 bound for Greenock. After waiting for three ships to load which were to sail 'in company' to the convoy assembly point they rounded the island in 1 May. The squadron of four was joined by 'a great many ships' until at 8 p.m. on 2 May, they were abreast of St. John's Point, where they had to wait a further two days for the main fleet coming out of Bluefields Bay. Further time was spent on board the escort, HMS Winchelsea awaiting instructions. In all about a week had been wasted before the convoy even sailed.<sup>73</sup> Convoys

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69. See Appendix XII/a for this and other examples.

70. SRO, GD 247/59/Q/2, Henry Clarke to Robert Dunmore, 17 March, 1778.

71. Ibid., Henry Clarke to Robert Dunmore and Co., 17 February, 1778.

72. For examples of these see NLS, MS5031, Thomas Riddoach to Charles Stuart, 20 July, 1779; SRO, GD 247/140, Petition of R. Dunmore and Co., Appendix III.

73. SRO, GD 247/58/P/2, Extracts from the Journal of Capt. Wright of the ship Clyde on her voyage from Jamaica to the Clyde in 1778 and 1779.

sailed three times during the season from the Caribbean - 30 April, 15 June and 1 August.<sup>74</sup> To miss one of these could mean several weeks delay which must be seen against a background of increasingly heavy operating costs during the war and the probable disappointment of an over-supplied market on arrival in the U.K.

The convoy system imposed on British commodity markets recurrent cycles of shortages and gluts with their accompanying price fluctuations.<sup>75</sup> Two extremes in price could occur: very high prices when no convoy was expected, rock-bottom prices when the ships had unloaded at the ports. A classic instance of this did take place in 1778. Prices for sugar in March of that year had been at the fairly healthy level of 58/- - 60/- per 'cask'. By June-July with the arrival of the first fleet, prices had slumped to 43/- - 44/- and in the following August 'the market was very dull for all West Indian produce'.<sup>76</sup> This particular year is perhaps an extreme example. Importations were uniquely heavy and business confidence was being sapped by the French declaration of war. However, it does give some idea of the effects of the overloading of the market within a short time period.<sup>77</sup>

Between the two poles of high and low prices considerable variation could occur. As summer came and with it the sailing of the fleets from the Caribbean, sugar brokers, boilers and exporters became wary. Any sugar remaining in the hands of a merchant was likely to stay there until

74. NLS, MS 8793, Alex Houston and Co to Capt. John McGregor, 17 February, 1777.

75. The economic effects of the convoy system are discussed in detail in Davis, op. cit., 329; Pares, op. cit., 303.

76. See Appendix XII/d.

77. For imports see Appendix VI/d.



the fleets arrived.<sup>78</sup> Rumour, particularly in wartime conditions, could easily enter the situation. William Cunninghame noted how sugars selling in June, 1778 at 42/- had climbed in July to 53/-. This resulted from 'the widespread fear' that the Brest fleet, known to be at large, might well intercept the convoys from Jamaica and the Leeward Islands. To this melancholy probability was added the news that Admiral Young had refused a convoy for the merchant ships sailing from Antigua.<sup>79</sup> This caused the sugar boilers 'to come to market for such quantities as will keep their works going at these prices till a new supply arrives'.<sup>80</sup>

Two factors tended to diminish opportunity for profit when the West-India fleets did reach port. Prices would be likely to fall dramatically because of the sheer bulk of the commodity coming on to the market within a short time period. Buyers tended to hold off, awaiting the expected decline in price. This could mean that the advantage of being in the June fleet and thus earliest to market in a particular year might be lost as buyers stood off awaiting the arrival of the July and August fleets.<sup>81</sup> One London sugar broker observed to Robert Dunmore and Co.'s representative that the most opportune time for the importation of sugar was in November when the winter months would preclude any further heavy imports.<sup>82</sup> With the arrival of fleets in September and early October 'sugar might fall five a hundred' unless 'any proportion of them fall into the hands of the enemy when they would at all events keep up in price'.<sup>83</sup> In a word, war press/

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78. SR0, GD 247/59/Q/2, Charles Cowan to Robert Dunmore and Co., 9 July, 1778.

79. Ibid., W. Cunninghame to Robert Dunmore and Co., 2 July, 1778.

80. Ibid.

81. NLS, MS 8793, A. Houston and Co. to Charles Irvine, 28 August, 1777; A. Houston and Co. to John Paterson, 28 July, 1777; A. Houston and Co. to Houston, Paterson and Co., 17 July, 1777.

82. SR0, GD 247/59/Q/2, W. Cunninghame to R. Dunmore and Co., 6 August, 1778.

83. Ibid.

ures immensely increased the speculative element in what was an extremely speculative trade.

One might justifiably feel that the logical reaction on the part of the merchant to this distortion of the supply - demand relationship ought to have been to retain his stocks until prices improved. This ignores, however, his need to contract what was after 1777, the dangerously expanded credit base which high wartime operating costs and lack of remittances from the Caribbean forced upon him.<sup>84</sup> The onset of a depression, such as that of 1778 or 1782, and a probable total collapse of prices, acted as a stimulus to speedy sale. A partner in one of the largest West Indian houses in Glasgow held in July, 1778 that,

'sugars must fall much; more especially from the prodigious scarcity of money and many of the holders being obliged to pay their bills. 85

In that year in particular Glasgow merchants were overstocked. Robert Dunmore and Co had 'a large quantity of West India produce on hand' immediately before the arrival of the June fleet when 'a still greater quantity could be expected'.<sup>86</sup> Even before the departure of the April convoy from the Caribbean, Alexander Houston and Co. could report that 'the sugar market had been exceeding dull for several months past and that two-thirds of the cargo of one ship was still on hand'.<sup>87</sup> In conditions like these which were duplicated in 1782,<sup>88</sup> merchants had little option but to rid themselves of their incoming cargoes as quickly as they reasonably could.

There were, however, ways of escaping from the straitjacket of a

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84. This subject will be fully discussed in Section III of this chapter; vide infra, 295-315.

85. SRO, GD 247/59/Q/2, W. Cunninghame to R. Dunmore and Co., 9 July, 1778.

86. Ibid., 25 July, 1778.

87. NLS, MS 8793, Alex Houston and Co to Samuel Cary, 9 April, 1778.

88. GCA, TD 131/9, Letterbook of Alex Speirs, Speirs to George Gibson, 15 March, 1782.

system which the late Professor Pares called 'a necessary evil'.<sup>89</sup> The strategic necessity to dispatch a large army to North America and latterly to send troops to the West Indies offered merchants the opportunity of chartering their vessels to government to act as transports. By so doing, the merchant could be sure that his investment would be well protected since such ships rarely sailed without heavy naval escort. In addition, owners were cushioned from the high operating costs of wartime by the fact that Government paid wages and offered compensation for damage and loss.<sup>90</sup> On the other hand, earnings would be much less than in normal trading activities although they were certainly more stable.<sup>91</sup> Glasgow merchants were in a particularly good position to satisfy army demands in 1776-7. The interruption of the tobacco trade had ensured availability of ships and sailors for the transport service.<sup>92</sup> In addition to this, the Highland Regiments left from the Clyde. Thus in January, 1776 representatives of the Navy Board arrived in the town to contract for 7,000 tons of shipping for America; Patrick Colquhoun, tobacco merchant and future Lord Provost, was appointed agent to the Contractors for victualling the transports and by early February the requisite tonnage had been hired.<sup>93</sup> Of the nine transports which went into service in February, two, the Lillie and Morimia, were owned by the West India firm of Somervell, Gordon and Co; one, the Brilliant, belonged to Alexander Houston and Co, involved in the same trade,

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89. Pares, op. cit., 303.

90. Macpherson, op. cit., III, 590; Davis, op. cit., 330; Syrett, op. cit. 79-80; Syrett, 'The West India Merchants and the Conveyance of the King's Troops to the Caribbean', Journ. Soc. for Army Hist. Research XLV (1967), 109.

91. Ibid.

92. Scots Magazine, June, 1776; Macpherson, op. cit., III, 590.

93. Edinburgh Evening Courant, 22, 27 January, 10, 24 February, 1776; SEO, CE 60/1/10, Collector, Greenock and Port Glasgow to H.M. Board of Customs, 13 May, 1778.

and another, the Rainbow, to Neil and Colin Campbell, Greenock. The owners of the five remaining vessels, the Mermaid, Patty, Thomas, Hunter and Thetis could not be identified.<sup>94</sup> The 31st Regiment left the Clyde at the end of that month to be followed in April by the 42nd and 71st Regiments of Highlanders, consisting of 3,466 officers and men.<sup>95</sup> The second substantial exodus was in 1778, when over 6,500 men sailed for North America.<sup>96</sup>

Merchant/shipowners could also gain from the provision needs of the armed forces without putting their ships directly into government service. Stephen Fuller, Secretary of the West India Committee, calculated in 1779 that the employment of outwardbound ships as victuallers would result in a saving of about £10 per soldier in transport costs.<sup>97</sup> The transportation of army provisions to the West Indies also appealed to the merchant. Even after supplies of timber and foodstuffs from America were cut off at the beginning of the war the imports of the West Indies from Britain did not require so much cargo space as their exports. Thus merchants were eager to utilise their ships' capacity by taking on provisions at Cork and Dublin for the troops. Robert Dunmore and Co. had approached 'the Contractor for the Jamaica troops' in early 1778 and had established an association with an Irish corn agent in Cork who 'will at all times fill up our ships with bread for Antigua having at this time no less than 6,000 men to supply with provisions daily'.<sup>98</sup> The relatively good prices being obtained for rum in the first two years of war were almost certainly

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94. SRO, Customs Accounts Greenock, Jan.-April, 1776, E.504/15/26; Customs Accounts, Port Glasgow, Jan.-April, 1776, E.504/28/25.

95. Syrett, op. cit., 201-2.

96. Ibid., 103-5.

97. Syrett, loc. cit., 169.

98. SRO, GD 247/59/Q/2, W. Cunninghame to R. Dunmore and Co., 13, 18 August, 1778.

another aspect of war pressures which favoured merchants: with the expansion of the Royal Navy, ships were stocking up for long voyages.<sup>99</sup>

The basic drawback in utilising the transport service to offset the risks of wartime trading was that any relief gained tended to be temporary since demand for shipping clustered only at certain specific periods such as 1776 or 1778. As Professor Syrett has observed, the years 1780-83 were not profitable ones for merchants who had put their vessels into the transport service.<sup>100</sup> A more common method, therefore, of circumventing the problems implicit in the convey system was to fit out a fast armed vessel to sail unescorted. Theoretically such ships had considerable advantages; they were at once able to reach market earlier than convoyed ships and could also gain from the inflexibility of the convey system itself. Ordinary merchantmen intending to sail in convoy had to be at the assembly point by a precise date; the 'running ship' on the other hand, with no limitations of this sort, could well benefit from late crops or obtain bargain rates from planters desperate to dispose of the remainder of their harvest. As one Glasgow company's agents in Green Island discovered,<sup>101</sup>

Now that all the vessels for this fleet are loaded and some goods are shut out that were expected to have gone in them, the proprietors would engage for any market to be sure of getting theirs shipped by next fleet, as we expect no new vessels at Green Island this year.

Rains, for example, might delay the beginning of a crop or interrupt its collection or make the roads to ports impassible; the late arrival of plantation equipment could have the same effect. The 'running ship' could be expected to gain from such situations.

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99. See Appendix XII/d.

100. Syrett, *op. cit.*, 103-5.

101. SERO, GD 247/139, Notarial Copy of Somerville and Noble's letter, 23 June, 1778.

Yet investment in such a vessel was hardly less of a gamble than any other form of wartime commerce. The reluctance of underwriters to insure unescorted vessels even if armed and sailing in company with other armed ships has already been noted.<sup>102</sup> This obstacle would inevitably be a disincentive to many who wished to operate 'running ships'. Again, the time of arrival of such a vessel in the Clyde would be a major factor in determining the profitability of a voyage. If the arrival of the convoyed fleet was not far distant, sugar buyers and brokers were likely to refrain from hasty purchases. Thus the Leith Sugar House Co refused to buy the cargo of the 'running ship' Hanover in the summer of 1778, their manager pointing out that the main West India fleet was expected soon and that therefore prices would plummet downwards.<sup>103</sup> In a sense, therefore, this type of merchantman was just as much at the mercy of the wartime commodity cycle, though in a less direct fashion, as the ordinary vessel sailing with convoy. In addition, the expenses of a 'running ship' were formidable. It demanded a higher complement than the normal trading vessel if it was to be turned into a reasonably effective fighting ship - this too when, after the early surplus of 1776-7, war was putting up demand for both experienced and inexperienced shipping labour and also creating considerable distortion in the market for such labour.<sup>104</sup> A more sophisticated armament was necessary at a time when iron prices were also moving upwards.<sup>105</sup> The result of these rising costs was that such vessels had to obtain a good freight if adequate remuneration was to be had by the owners. Alexander Houston and Co owners of the 'running ship' Britannia

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102. Vide supra, 274.

103. SRO, GD247/59/0/2, Charles Cowan to R. Dunmore and Co., 9 July, 1778

104. GCA, Thomas Houston Law Papers, A. Grieve to Messrs T. Houston and Co., 14 March, 1779.

105. J. Butt, 'The Scottish Iron Industry before the Hot-Blast', Journ. of West of Scotland Iron and Steel Inst., 1966-7.

described,

the very heavy expenses we have been at outfitting the ship and that without the greatest dispatch, frugality and care together with a full freight home, we must sink money by her. 106

Even if ships were armed and speedy, merchants often advised their captains to sail with convoy so great was the saving in premium.<sup>107</sup> These instructions were particularly common on the return voyage from the Caribbean when holds were bulging with West India produce.<sup>108</sup> Indeed, the conclusion must be that even if armed, 'running it' was very much a last resort, to be reserved for particular supply and demand situations. If on rendezvous at the convoy assembly point, it was found that the fleet had already sailed, then skippers of 'running ships' were usually ordered to proceed without escort.<sup>109</sup> Even then it was preferable to sail in the company of other armed ships. One Glasgow captain found himself waiting at Cork with no prospect of a convoy; with his colleagues he formed 'a small fleet of five sail' to cross the ocean. All were equally armed with ten - twelve cannon apiece.<sup>110</sup> Almost certainly the 'running ship', sailing alone without escort or company, was not as common a sight as one might at first suppose from a casual awareness of its ostensible advantages.

Investment in privateering might allow the merchant/shipowner the opportunity to escape the constrictions of regulated convoys and at the same time actually benefit from the incidence of hostilities. A distinction ought first to be made between what one might call the 'specialised'

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106. NLS, MS 8793, A. Houston and Co. to David Scott, 12 February, 1777.

107. See Appendix XII/a. For examples of such instructions see NLS, MS 8794, Alex Houston and Co to Messrs Turner and Paul, 1 Dec., 1778; to Capt. David Scott, 24 February, 1779; to Capt. Daniel Graham, 7 December, 1778; to Capt. Daniel Graham, 28 January, 1778.

108. Ibid.

109. Ibid., A. Houston and Co to Capt. John McGregor, 17 February, 1777; to Captains David Scott, Buchanan, Barbour and Park, 10 February, 1780.

110. Caledonian Mercury, 27 November, 1776.

privateer and the privateer fitted out for battle yet still carrying on the more mundane operations of trade. Captains of the latter type were faced with something of a dilemma: the decision whether to aim for the dependable freight or the more elusive but much more profitable prize. The difficulties inherent in such a decision are well exemplified in the case of the brig Hasard, commanded by Capt. James Laurie. If the ship was bent on trade with the West Indies, the outward freight from the Clyde, though admittedly much less than the inward cargo, would not allow her to sail 'sufficiently fast to afford hope of success as a privateer'.<sup>111</sup> Similarly Capt. Smith of the Sally was fortunate enough in 1777 to take a prize off St. Kitts but two days afterwards encountered an American privateer; he had to scuttle the prize and make off since, with the ship's holds already crammed with sugar and rum, his mobility was at a minimum.<sup>112</sup> Clearly the evolution of this hybrid type of vessel was an attempt to cut down the element of gambling in privateering: a freight, at least, was more or less guaranteed and the privateer might, if luck was in, also make a merchant's fortune with a single capture.

Although a century of endemic warfare had given Glasgow's merchants essential experience in the fitting out of these vessels, the costs of equipment and labour would tend to restrict privateering to a wealthy minority. A 'letter of marque' for a privateer carrying over 150 men required payment to the Admiralty of £3,000 as bail and security of £1,500 if under that complement.<sup>113</sup> Provisions necessary for a privateer exceeded those for the ordinary merchantman bound for a specific destination within

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111. SRO, GD 247/58/P/2, Henry King and Co to Robert Dunmore and Co., 7 August, 1779.

112. NLS, MS 8793, A. Houston and Co to Messrs. Turner and Paul, 27 September, 1777.

113. Barritt, loc. cit., 35.



a certain time schedule. The need to stay at sea for as long as possible compelled the privateer's store intake to be above the norm and extra hands would have to be hired if the vessel was to be transformed into an efficient fighting ship. Again, not all the profits from a capture accrued to the owner since one-quarter of the prize money by custom and agreement was distributed among the officers and crew. Table 27 gives a typical breakdown of shares.

TABLE 27

'Suggested Division of the one quarter share of  
Officers and Crew resulting from a Prize'

Captain	...	16	shares
First Mate	...	8	"
Second Mate	...	4	"
Boatswain	...	2	"
Carpenter	...	2	"
Gunner	...	2	"
Each seaman's share (suppose 25)		25	"
Each landsman or half seaman (suppose 5)		$2\frac{1}{2}$	"
Each apprentice	...	$1\frac{1}{2}$	"
		<hr/>	
		63	shares
		<hr/>	

SOURCE: NLS, MS8759, A. Houston and Co to Capt. A. McKinlay,  
3 April, 1778.

In addition, the Crown took a one-sixth share of all monies which accrued.<sup>114</sup>

According to information contained in the Glasgow Mercury, there were approximately thirty-seven vessels owned by Glasgow, Greenock and Port Glasgow interests cruising as privateers throughout the period of hostilities.<sup>115</sup> Once again, one can spot a period of lull, of 'twilight war', between 1775 and 1777 when little effort appears to have been made in the

114. Davis, op. cit., 333.

115. Glasgow Mercury, 1775-83, passim.

equipping of such ships. West India merchants may have been less eager to enter into expense when early victory seemed so certain and when France was not yet a combatant. The Customs Accounts of Greenock and Port Glasgow only refer to three privateers freighting outwards in the period 1775-7.<sup>116</sup> However, in September 1778, the press talked of 'the privateering spirit' that at present prevailed on the Clyde,

This preserves us from being dejected by the gloomy aspect of the times; we shall have, in three weeks, a most capital armament ready for sea. 117

The Customs Accounts fully substantiate this comment. Between August and October, 1778, five privateers were outfitted with a 'Letter of Marque and Reprisal and bound on a cruise against the American rebels and for the Apprehending and Taking the ships, vessels and goods belonging to the French king'.<sup>118</sup> A further five privateers had been outfitted between the beginning of July and the middle of August and by the 22nd of that month were 'nearly ready to sail against the French'.<sup>119</sup>

Some merchant houses obviously had evolved a specialised and positive policy of privateering, so massive was their investment in it. Robert Dummore and Co owned five privateers, the Neptune (with 14 six pounders, 2 cannon and 4 swivel guns), the General Howe, the Leveller, Nancy and Prince of Wales.<sup>120</sup> William Cunninghame and Co outfitted the very successful Cochrane, Bellona and Despatch.<sup>121</sup> The partnership links between

116. SRO, E.504/15/25-30; E.504/28/24-30.

117. Edinburgh Evening Courant, 5 September, 1778, Extract of a letter from Greenock, 2 September, 1778.

118. SRO, E.504/15/30-1; E.504/28/30-1. These were the Elizabeth (7 Sept.), the Hawke (2 Oct.), Endeavour (22 Aug.), Wolfe (7 Sept.).

119. Edinburgh Evening Courant, 22 August, 1778.

120. SRO, GD247/59/Q/2; SRO, E.504/28/30.

121. SRO, E.504/28/32.

these two companies meant that their joint interests in privateering was a formidable one. Other West India firms were represented among the list of owners. Somervell, Gordon and Co had the Fincastle and Monmouth;<sup>122</sup> Robert Mackay and Co the Hawke<sup>123</sup> and John Campbell sen. and Co owned the Wolfe.<sup>124</sup> Four of Alexander Houston and Co's vessels had a 'letter of marque'.<sup>125</sup>

Extensive investment in privateering almost certainly cut down the risk of fitting out a costly ship and then finding that no prizes were forthcoming. A firm which operated four or five such vessels could hope to strike gold with at least one of them. Some of the privateers named above had quite dazzling successes. The Scottish press in November, 1778 was filled with the news that the Cochrane, belonging to W. Cunninghame and Co., had taken a French East Indiaman with a cargo reputed to be worth £100,000.<sup>126</sup> Even low-cost ventures could prove fortunate. The Endeavour mounted only 10 three pounders but managed to take a French merchantman returning from the West Indies,<sup>127</sup>

She was bound for the West Indies but ordered by the owners to cruise a few days in a certain latitude, where she had the good fortune to meet with the West Indiaman which struck in the dark, not knowing the size of the schooner.

Some outstanding success runs were recorded by individual privateers. The above mentioned Cochrane took three American ships between January and April, 1778.<sup>128</sup> The Elizabeth, a few days after being commissioned,

122. SR0, E.504/28/31.

123. SR0, E.504/28/29.

124. SR0, E.504/15/31.

125. NLS, MS 8794, A. Houston and Co to Capt. Alex. Mackenzie, 5 March, 1779; to Capt. W. Buchanan, 8 March, 1779; to Capt. J. McGregor, 11 March, 1779.

126. Edinburgh Evening Courant, 7 November, 1778

127. Ibid; E.504/15/31

128. Glasgow Mercury, 17 January, 19 March, 9 April, 1778; SR0, E.504/28/29.

captured two French West Indiamen, La Victoire and the Beauvoisin, containing together 335 hogsheads of sugar, valued at about £12,000, and 3,267 cwts of coffee.<sup>129</sup> The Leveller, owned by Dunmore, between October, 1778 and April, 1779 took 3 French vessels full of Caribbean produce.<sup>130</sup>

It is impossible to evaluate the importance of profits from privateering in any precise fashion. Inevitably the sources consulted - local newspapers and Clyde Customs Accounts - concentrate on prizes brought into Port Glasgow or Greenock and condemned at the Admiralty Court at Edinburgh. These leave out of account captures made off the American coast and condemned at New York. This was certainly a thriving area of privateering activity; as one contemporary observer in New York commented in early 1779,

Everybody at present seems to be privateer mad; and all have been very successful, scarce a day passing without the arrival of three or four prizes, some of which are very valuable. 131

Captures in this area are thus a certain omission from the credit side of privateering. On the other hand, not all voyages were successful and even when a prize was taken the return from selling the produce on the market might not be as high as at first expected. The owner of a privateer was as much at the mercy of market forces in the speedy and profitable sale of captured produce as the merchant engaged in normal commerce. Prices obtained in an oversupplied market were often insufficient to recoup the owner for the expenses of privateering. Thus Speirs, French and Co.

129. SRO, E.504/15/31.

130. SRO, E.504/28/29.

131. Edinburgh Evening Courant, 20 March, 1779, Extract of a letter from a Gentleman in New York, received by this day's post, to a Gentleman of this city.

lamented in the autumn of 1781 how although the Enterprise had taken two prizes worth 'at least £1200' no profit would be made because of the state of the market and rising costs.<sup>132</sup> In view of the nature of privateering, Alderman Creighton of London concluded that a 'letter of marque' was not worth the money, a prize being '... as much a matter of chance as the obtainment of a ten or twenty thousand pounds prize in the lottery'.<sup>133</sup> However, having taken account of these reservations and with the knowledge of the fact that at least 47 enemy merchantmen were taken throughout the war by Glasgow-owned privateers,<sup>134</sup> it must be said that some merchants did take advantage of the war to make spectacular gains from this patriotic, but none the less profitable, activity.

There was one further method of alleviating the difficulties of the convoy system and the dangers of negotiating the Irish Sea area. Insurance premiums could be cut and security for cargo and vessel strengthened by employing neutral ships. With the fall of almost all the Leeward Islands to the French after 1779, the hiring of neutral ships, sailing from neutral ports to enemy-occupied territory in the Caribbean and thence directly back to the continent was an essential means of keeping open sugar supplies.

When France entered the American War of Independence, the British West Indian islands were inevitably going to be at risk. The Caribbean had been in the Austrian War of Succession and the Seven Years War, the cockpit within which the United Kingdom and France tried to assert their

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132. GCA, TD131/9, Speirs, French and Co to J.G. Martins, 25 October, 1781; for a similar case see SRO, UP Inflis 5/4/22, Speirs, Murdoch and Co versus Campbell, Ingram and Co (1784).

133. Quoted in Barritt, *loc. cit.*, 35

134. Glasgow Mercury, 1778-83; SRO, Customs Accounts, Port Glasgow, E.504/28/25-35; SRO, Customs Accounts, Greenock, E.504/15/24-38.

respective colonial ambitions.<sup>135</sup> In 1778 the merchants of Bordeaux had drawn up a memoir, 'to shew the necessity and importance of prosecuting the war with the greatest vigour in that part of the world'.<sup>136</sup> Specifically they demanded the capture and physical destruction of the British sugar plantations. In the same year as France declared war, Dominica, lying between the two French islands of Guadeloupe and Martinique, capitulated.<sup>137</sup> Before the end of 1778 St. Lucia had also fallen. In 1779 both Grenada and St. Vincent were lost; St. Kitts was taken in February, 1782 after a spectacular defence of the island's fortress, 'Brimstone Hill', Montserrat and Nevis fell shortly after. By 1782, then, all the Leeward Islands, except Antigua, were in the hands of the enemy.

The situation was not as disastrous as might at first appear. Although Glasgow merchant houses had moved into plantation ownership in the West Indies since the early eighteenth century<sup>138</sup> and they might justifiably feel their property to be at risk, the islands did capitulate on favourable terms. British-owned property was preserved intact and France allowed the produce of the islands to be sent in neutral bottoms to neutral ports.<sup>139</sup> Remittances could take place through Holland, neutral until 1780, and Imperial ports.

Alex. Houston and Co suggested to their agents in St. Vincent in 1779

135. See generally Sir H.W. Richmond, The Navy in the War of 1739-48 (Cambridge, 1920) and for the effects on Caribbean commerce of the wars, Checkland, loc. cit., 462-3.

136. Scots Magazine, XLII (1780), 418.

137. On September, 7, 1778.

138. SRO, GD 237/139, Minutes of Agreement between Col. William Macdowall and Mr. James Gordon, 28 December, 1723; SRO, GD1/32/38, Account of lands sold in the island of St. Vincents and Dominica by H.M.'s Commissioners (1765). For this subject vide supra, 165-69.

139. NLS, MS 8794, A. Houston and Co to Messrs Houston and Paterson, 5 June, 1780; ML, Bogle MSS, Bundle 54, John Hyndman to George Bogle, 10 June, 1779; 14 January, 1780.

that cash and bills could be transferred home via Messrs Hope and Messrs Crawford of Amsterdam. This technique seems to have worked successfully and Houstons were able to report categorically in the summer of 1780 that they 'had not lost materially by the capture of our islands'.<sup>140</sup> In the list of ships outward bound for the Caribbean between January-April, 1779 there appears the Juffrow Francoisa Elizabeth, Marines Venderlinder, Master of Hamburg and the Goude Boos of Rotterdam.<sup>141</sup> Pressure to invest in neutral shipping mounted in the last three years of war as insurance premiums continued to rise. Alexander Speirs thought in June, 1783 that 'if the war continues one year longer our Trade will be carried in Neutral Bottoms only'.<sup>142</sup> His firm, Speirs, French and Co had had strong links with agency houses in Rotterdam, Hamburg and Ostend during the heyday of the pre-1775 tobacco trade. These contacts could now be used to advantage in acquiring neutral shipping. Enquiries were being made in 1782 from 'Mr. Court at Ostend' on the terms he could freight a ship to St. Vincent and concerning duties charged on British owned produce.<sup>143</sup> Information was also sought concerning the possibilities of acquiring a merchantman 'under Imperial colours' to take freight from Hamburg to the West Indies. Danish and Venetian vessels were also accounted desirable and Speirs had an agent inside the enemy camp - J.G. Martens, a Danish subject residing in Bordeaux - who it was suggested, might freight goods to San Domingo.<sup>144</sup> By the end of 1782, Speirs, French and Co had two ships trading under 'flags of convenience'.<sup>145</sup>

140. Ibid., A. Houston and Co. to Messrs Turner and Paul, 26 October, 1779; to Fergus Paterson, 3 January, 1780.

141. SRO, E.504/28/30.

142. GCA, TD131/9, Alexander Speirs to Thomas Eden, 20 June, 1782.

143. Ibid., 3 January, 1782.

144. Ibid., to J.G. Martens, 25 March, 1782; to Mr. Anderson, 1 April, 1782

145. Ibid., to Robert Burton, 2 August, 1782; for A. Houston and Co's activities in this regard see NLS, MS 8794, A. Houston and Co. to Messrs Houston and Paterson, 15 January, 1781.

Perhaps a more fundamental factor in the continuation of Clyde - Caribbean commerce even after the series of French conquests was the direction and flexibility of the trade. Of 6,374 hogsheads of sugar imported into the Clyde in 1778, only 975 originated in the Leeward Islands and of this latter figure 162 hogsheads came from Antigua, which was not taken during the war.<sup>146</sup> The vast bulk of the commodity was exported from Jamaica which remained in British hands throughout the war. The one firm which could be in difficulties was Alex. Houston and Co. since it drew its imports mainly from St. Kitts and St. Vincent.<sup>147</sup> Yet, as has already been noted<sup>148</sup> Houstons did not seem too pessimistic about the effects of the conquest. A similar situation obtained in 1779: of 4,982 hogsheads imported into Port Glasgow and Greenock only 783 hogsheads came from the Leeward Islands.<sup>149</sup>

One ought not to paint a completely rosy picture of the effects of conquest. Physical destruction of British assets was not French policy, it is true. Indeed so grateful were Glasgow merchants to the French Naval Commander-in-Chief for his 'unexampled magnanimity ... in guarding and protecting the property of individuals in those moments of distress, when the vanquished were accustomed to experience devastation and ruin', that in 1784 they presented him with 'a pair of pistols ... of highly polished steel, richly ornamented with arms, trophies in gold and silver'.<sup>150</sup> Yet loss could be sustained indirectly. One Glasgow factor in Grenada complained of the 'very cruel restrictions as well as enormous taxes'

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146. See Appendix VI/d.

147. Ibid

148. Vide supra, 292.

149. See Appendix VI/e.

150. UOS, Minute Book of Glasgow Chamber of Commerce, 6 July, 1784, 63; Scots Magazine, XLVI (1784), 694-5.



under which the island had suffered since its conquest.<sup>151</sup> A Glasgow plantation owner in St. Vincent thought that the occupation had been 'not too disastrous' but he did suffer because his estate lay in close proximity to country inhabited by Caribs who had been given new confidence by the disruption of the civil authority.<sup>152</sup> Merchants who had vessels loading in these islands at the time of attack could lose in the short-term. An eye-witness narrated the reaction of the captains of merchantmen in the harbours at Grenada when news filtered through of the capture of St. Vincent,

... the ships that were in the different bays taking in their loading, got underway and some of them came to anchor at the leeward-most point of the island to be ready to run when the enemy appears; others went, they did not know where even without clearances, they were in such confusion. I had got the produce on the Bay ready to be put onboard when this disagreeable account arrived, and was obliged to have it carried back to the store as not one of the ships would stay in the Bay in which it lay to take in an ounce. <sup>153</sup>

Only high prices in the home market could relieve the owners of these vessels of loss in 1779. Finally, one might suggest the adverse effect which such military disasters were likely to have on credit and insurance rates. As Alexander Houston and Co remarked of the capture of Dominica in 1778, in something of a masterpiece of understatement, '... the taking of Dominica has been of no service to West India credit'.<sup>154</sup>

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151. ML, Bogle MSS, Bundle 54, John Hyndman to George Bogle, 14 January, 1780.

152. Edinburgh Evening Courant, 6 October, 1781.

153. NLS, Charles Stewart Letterbooks, MS5031, Thomas Riddoach to Charles Stewart, 20 July, 1779.

154. NLS, MS 8794, A. Houston and Co to Messrs Turner and Paul, 23 November, 1778.

## III

The profitability and secular expansion of the West Indies trade during the American War depended on what was often a precarious balance between rising operating costs on the one hand and increasing income from freight rates, West India remittances and prize cargoes on the other. The following table will afford a more precise view of each end of the scale.

TABLE 28Income and Expenditure in the West Indies Trade

<u>Income</u>	<u>Expenditure</u>
Commission on sale of West Indian produce.	Cost of ship and equipment
Freight rates	Seamen's wages, provisions.
Interest on loans to West Indian planters	Contents of ship.
Prize Money (if any)	Insurance premiums
Sale of Contents of ship in West Indies.	Overheads (agent's salary, upkeep of Glasgow counting-houses)
	Port Charges (primage, wharfage, warehouse rental, customs duties, coeperage, weighing expenses)

The most important single element in a merchant/shipowner's operating expenses was labour costs.<sup>1</sup> All the evidence suggests that these moved upwards throughout the period of hostilities. The expansion of the Royal Navy created difficulties in the labour market. It could well be argued that the merchant was as much at the mercy of naval press-gangs in the safe, cheap and rapid delivery of his goods as he was

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1. Davis, op. cit., 133-158.

subject to the attention of enemy privateers. Impressment from the merchant service was the only means of augmenting the Navy quickly.<sup>2</sup> From 1776 Glasgow Town Council offered bounties to both seamen and landmen willing to fight for king and country. In September, 1779, the bounty of 2 guineas for every able-bodied seamen and one guinea for ordinary seamen was increased to 3 guineas and 2 guineas respectively.<sup>3</sup> This offer was repeated thereafter until 1783.<sup>4</sup> The eagerness with which Glasgow seamen joined the Clyde squadron set up by local initiative in 1777<sup>5</sup> demonstrates that the desire to face the enemy did exist. However the poor reputation of life in the Royal Navy<sup>6</sup> and the danger of serving on a line-of-battle ship compared unfavourably with the lesser discipline of the privateer and the chance of fortune which might come from sailing in such a vessel. One calculation, in fact, suggests that between 1776-80, over 4,200 men deserted from the Royal Navy.<sup>7</sup>

The demands of the Navy were bound to distort the supply of labour to the merchant marine. In a petition to Charles James Fox in 1783, Glasgow's tobacco merchants had emphasised the value of the tobacco entrepot trade to national security: through its operation, 'many seamen were nursed for his Majesty's Navy'.<sup>8</sup> This platitude may have added weight to their particular arguments on that occasion but during wartime the

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2. For the background to impressment see J.R. Hutchinson, The Press Gang Afloat and Ashore (1915); Christopher Lloyd, The British Seaman (London, 1968), 115-158.

3. GCA, Council Minute Book, 1772-77, C1/1/35/579; Council Minute Book, 1779-81, C1/1/36/234.

4. Ibid., C1/1/36/531; C1/1/37/57.

5. Vide supra, 270-1.

6. Lloyd, op. cit., 115-158; Richmond, op. cit., I, 274.

7. Cloves, op. cit., III, 21.

8. ML, Chamber of Commerce MSS, B/6, Memorial on behalf of the importers of tobacco humbly submitted to Rt. Hon C.J. Fox, June, 1783, 1.

Navy's press-gang activities was one of the main problems faced by colonial merchants. Pressure from this direction did not develop immediately: 'the stop to the American trade', it was stated in the summer of 1777, had left 'half the seamen idle';<sup>9</sup> moreover certain factors alleviated the force of naval demand. During the period of hostilities the clauses of the Navigation Acts were relaxed - merchantmen were allowed to carry foreign seamen to the extent of three-quarters of their complement.<sup>10</sup> British merchants certainly made use of this provision. The Dutch East and West India Co was complaining in 1777 to the States General about the difficulties in procuring suitable supplies of labour. The result was that an Act was passed prohibiting Dutch subjects from entering foreign service.<sup>11</sup> However, as will emerge from the discussion below, the relaxation of the Navigation Acts did not altogether solve the problem of naval demand and its effect on the labour supply of merchantmen. In addition, 'protections' purchased from the Admiralty although very useful, often depended for their effectiveness on the whim of the individual naval commander. For instance, in the West Indies and North America, the distance from central authority encouraged infringement. Even in the Clyde, protections were no guarantee of immunity, particularly at such periods of crisis as the outbreak of war with France in 1778.<sup>12</sup>

Glasgow merchants ran their own system of unofficial exemption. Ships returning from the Caribbean began to anchor in the Fairlie roads off the

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9. Caledonian Mercury, 13 July, 1777.

10. 16 Geo III, c 20(1776); renewed 18 Geo III, c6(1778), 19 Geo III c14(1779) and 21 Geo III, c11(1781).

11. Edinburgh Evening Courant, 22 April, 1777.

12. Dora Mae Clark, 'The Impressment of Seamen in the American Colonies' in Essays in Colonial History presented to Charles Maclean Andrews (New-haven, 1931), 203.

Ayrshire coast and the crew (except the captain, first mate, ship's carpenter, apprentices bound for three years and boys under eighteen, who were all exempt from pressing) left the ship in longboats and headed for the coast. Once there they tended to congregate in the area of Beith. An understanding apparently existed between the farmers and 'smugglers' of Ayrshire and Renfrewshire and the captains of incoming vessels which allowed for warnings to be given when the press-gang was in the vicinity.<sup>13</sup> This method was by no means foolproof. The Royal Navy quickly adapted itself to the merchants' strategy. At least one example was found of an escort vessel pressing the merchantmen it had convoyed when they entered the Firth of Clyde. Several others were discovered of pressing at sea once the voyage from the Caribbean was almost completed.<sup>14</sup>

The first great inroads into the Clyde's supply of seamen took place in March-April, 1778 when with the approach of war with France, the Royal Navy strove to reach battle readiness. A Greenock merchant noted in March, how 'they were almost all press'd below - not a vessel can be got out for want of hands'.<sup>15</sup> The following year, Alexander Houston and Co thought that labour expenses 'attending all our ships' was so 'monstrous' that 'unless they get great dispatch and much higher freights than last year we must sink a great deal of money by them'.<sup>16</sup> The entry of Holland into the war still further exacerbated the problem and in 1781 Houstons were loud in their complaints about the 'costs of navigation'.<sup>17</sup> No precise or continuous wage rates are available for the colonial trades

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13. Senex (J.M. Reid), *op. cit.*, II, 139

14. Chips from an Old Glasgow Ship's Log, 1777-1823; Old Glasgow Club Trans., III, 102; Edinburgh Evening Courant, 9 August, 1777.

15. NLS, MS 5030, John Maclean to Charles Steuart, 31 March, 1778.

16. NLS, MS 8794, A. Houston and Co. to Robert Houston, 20 April, 1779.

17. Ibid., A. Houston and Co. to Messrs Houston and Paterson, 15 January, 1781.

during the war but in the herring fishery, extensively carried on from ports on the Clyde, wages quadrupled between 1775 and 1783.<sup>18</sup>

In addition the war created an artificial scarcity of seamen. In order to escape the attentions of the press seamen would live in areas while ashore where the shipowner as well as the regulating officer found difficulty in reaching them. The experience of one firm's foray into Ayrshire in search of labour is worth quoting in full. In September, 1778, Thomas Crawford and Captain James Troop of Robert Dummore and Co. were scouring the country for seamen. From their base in Largs, they wrote that their journey to Irvine on 21st of the month had proved 'a very troublesome and unsuccessful expedition'. Only five men had agreed to accept their terms and only two of these had been 'formally engaged', although the ship which they were to crew was at that date clear to sail.<sup>19</sup>

Crawford referred to another of the company's skippers, Captain James McCauslan who had also been searching for seamen to little avail, 'McCauslan wants yet so many of his complement of men and these are so difficult to be got I am afraid his cruize will be very short'.<sup>20</sup> The following week brought little change in their luck. One of the sailors that Troop had already hired at Irvine sent back his advance pay, having obtained promise of higher earnings for his services elsewhere. McCauslan went to Irvine, Saltcoats and Ayr but 'could not get one man'. As Crawford asked ruefully, 'Is it not very surprising that in Beith, Irvine and Saltcoats, where there are so many sailors, there should be such diffi-

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18. Macpherson, op. cit., III, 634.

19. SRO, GD 247/59/Q/2, Thomas Crawford to R. Dummore and Co., 22 September, 1778.

20. Ibid.

culty in getting so few as we want?'.<sup>21</sup> The supply-demand mechanism was moving favourably towards labour from 1777 onwards and seamen were taking advantage of the fact to bid up wage rates.

The West Indies trade during the American War, being largely carried on by convoyed vessels, was so geared to time schedules that impressment, by interfering with a ship's timetable, could easily render a particular voyage unprofitable. Even delaying a ship in order to obtain a full complement could be self-defeating as the crew might desert for fear of an approaching press-gang.<sup>22</sup> Impressment could form an important addition to the array of 'normal' hazards which faced the merchant in the successful prosecution of his trade. The Albion had been detained at Campbeltown for several weeks for want of hands; by March, 1778, she was clear to sail and so her owners purchased her cargo of herring; however, the ship then sprung a leak, which, after a lengthy repair delayed her until April. Seamen were so scarce that it was with great difficulty that the captain got her manned. After all this, the majority of his crew were pressed from him in the Fairlie roads.<sup>23</sup>

As was seen in Chapter IV, most colonial merchants owned the vessels in which their goods were freighted.<sup>24</sup> This did not altogether insulate them from the rising costs of ship construction during the war. Vessels lost through enemy action and natural depreciation, would have to be

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21. Ibid., 26 September, 1778. For difficulty in hiring men in New York see SRO, GD 247/58/P/2, H.M. King and Co. to Robert Dunmore and Co (n.d.); one merchant considered that since quality of labour tended to be low during wartime - the most experienced men having been pressed - much more seamen were required than in peacetime trading, GCA, Thomas Houston and Co., 14 March, 1779.

22. For an example of this see NLS MS 8794, A. Houston and Co to Messrs Akers and Houston, 14 October, 1779.

23. NLS, MS 8795, Home Letter-Book H, A. Houston and Co. to Mr. Milliken, 19 September, 1778; to William McDowall, 1 October, 1778.

24. Vide supra, 157.

replaced and during the American War this proved particularly difficult. Yet in the first two years of war the situation was not altogether unfavourable. The interruption of the American trade meant that in early 1776 there was a superfluity of merchantmen: 'Glasgow vessels are mostly out of employ', noted one source in January, 1776.<sup>25</sup> However, the demands of the transport service, the foreign trade boom of 1776-7 and the capture of Glasgow ships by enemy privateers soon altered this picture.<sup>26</sup> To this was added the fact that the traditional source of Glasgow's ships was North America. One estimate in 1778 suggested that over eighty per cent of Glasgow vessels were constructed there, sometimes with Glasgow capital and under the supervision of agents of the firm's concerned.<sup>27</sup> Few areas could compete with the abundant and cheap raw material of the colonies.<sup>28</sup>

Various adjustments could be made to make good the loss of these areas. The war stimulated shipbuilding on the Clyde but although contemporaries praised 'the vessels of great burden' constructed upon 'the best principles' and 'of excellent workmanship', only four such ships with a gross tonnage of 917 tons burden were completed at Port Glasgow in the last year of war.<sup>29</sup> As yet the Clyde was no substitute for America. Perhaps a more fruitful method of replacing lost tonnage was through the purchase of captured enemy ships or of vessels retaken from the enemy. The Jean, for example, had been taken by an enemy privateer but was retaken by the frigate H.M.S.

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25. Caledonian Mercury, 13 January, 1776.

26. Vide supra, 168, 20-1 ; Scots Magazine XXXVIII (1770), 393; Caledonian Mercury, 15 July, 4 September, 1776.

27. SRO, CE 60/1/10, Collector, Port Glasgow and Greenock to H.M. Board of Customs, 3 November, 1777; SRO, GD 247/58/) for details on ship construction.

28. Richard Champion, Considerations on the Present Situation of Great Britain and the U.S.A. (London, 1784), 14-15; Gourlay, op. cit., 18.

29. Brown, op. cit., II, 385; Denholm, op. cit., 532.



Emerald; eventually it had come into the hands of Messrs Thomas Houston and Co.<sup>30</sup> The Castlesemple, called after William McDovall's Renfrewshire estate and owned by Alex. Houston and Co, had an even more interesting history. Built in Philadelphia, she was taken en route to Spain by ships of the Royal Navy. When captured 'she was loaded for the rebels to whom she belonged to at that time'.<sup>31</sup> Finally, in early 1778, she was acquired by Houstons.<sup>32</sup> Even more exotic sources were explored. Messrs Edaile and Cathcart sent a representative to Archangel to have a merchant-man built there for them, utilising a credit for £1,000 which they held in St. Petersburg.<sup>33</sup> In spite of all these efforts the prices of ships did rise. One merchant house agreed with the owners of the Nestor for the hire of the vessel for £250 for a voyage to the Caribbean in 1775. By the end of 1776 the rate had more than doubled to £600.<sup>34</sup> In the autumn of 1777 Alex. Houston and Co noted that 'sugars were much wanted in Ireland'. However, they pointed out that no advantage at that stage could be taken of this excellent market because of 'the want of vessels'.<sup>35</sup>

The misfortunes of war and the increases in operating costs all put pressure on credit. The boom of 1775-7 was soon followed by the signs of an incipient depression. From April to November, 1778, there was a steady drain of money lodged in the banks, 'week after week, and month after month'.<sup>36</sup> By August, 1778 the Edinburgh and London agents of the Dundee Bank were 'under large advances, owing to the decline of trade in

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30. SRO, CE60/1/10, Collector, Port Glasgow and Greenock to Board, 27 December, 1777.

31. SRO, CE 60/1/10, Collector to Board, 25 January, 1778.

32. Ibid

33. GCA, TD131/9, Speirs, French and Co to Messrs. Braumsters, 11 March, 1782.

34. NLS MS 8793, A. Houston and Co to Messrs Houston, Paterson and Co., 1 October, 1776.

35. NLS, MS 8759, Home Letter-Book H, A. Houston and Co. to Messrs Gordon and Hamilton, 3 October, 1777.

36. Forbes, op. cit., 54.

general, and the consequent scarcity of London Bills by which funds might be remitted to the Company's agents.<sup>37</sup> The French declaration of war at once considerably narrowed credit facilities and at the same time enhanced the attractions of investing in government stock. In 1778 £5 millions were raised by a loan for which subscribers received a permanent interest of £3..0..0 together with a terminable annuity of £2..10..0 for thirty years. In 1780 the establishment of a £20 millions loan gave an interest rate of four per cent for eight years.<sup>39</sup> In 1782 the real permanent interest had risen to 5½ per cent.<sup>40</sup>

From 1778 onwards the increased returns from government funds had an adverse effect on commercial credit. William Cunninghame in July, 1778 observed that the borrowing of money could previously be done 'very easily' both in London and Glasgow but 'now no person will do it at least such as have the smallest confidence in government security where they at present draw from 6 - 10 per cent per annum'.<sup>41</sup> Many with surplus funds were 'keeping their money in their chests' hoping to profit from the expected French declaration of war, when 'they suppose the stocks will be much lower'.<sup>42</sup> At the end of that year 'no money could be borrowed on the best security' and Alexander Houston and Co feared that 'it may still be worse when the new loan for Government comes to be negotiated'.<sup>43</sup> The adverse competition of government securities in attracting liquid capital was again stressed in 1779,

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37. C.W. Boase, A Century of Banking in Dundee (Dundee, 1864), 16.

38. 18 Geo III, c22(1778).

39. 20 Geo III c16(1780).

40. Edinburgh Evening Courant, 21 January, 1782; Macpherson, op. cit., III, 685.

41. SRO, GD247/59/0/2, W. Cunninghame to Robert Dundas, 27 July, 1778.

42. Ibid.

43. NLS, MS 8794, A. Houston and Co to Messrs. Turner and Paul, 1 December, 1778.

... the publick funds are so flattering and advantageous that they swallowed up everything and will, we fear, leave little money in merchants' hands. 44

Houstons were still complaining about the effect of government interest rates in 1780. Investment in West India companies had become a bad risk anyway by that year as the Leeward Islands rapidly fell to the French.<sup>45</sup>

In March, 1781,

money is very scarce .... Many monied people have gone into the new boom where they have government security and more than five per cent. 46

At the same time, the war, by making the use of the convoy system imperative for most merchants, considerably heightened demands for short term credit. Money markets were disturbed by the need to obtain large amounts of credit and cash at short notice to pay customs duties on the uniquely heavy importations of West India produce within short time periods.<sup>47</sup>

Sugar duties increased substantially throughout the war. Standing at  $6/3 \frac{9}{10}^d$  in 1775, they had reached  $12/3 \frac{2}{5}^d$  by July, 1782.<sup>48</sup>

Four factors could help merchants to withstand the strain on credit and make gains from the war: (a) commission on sale of West India produce in the United Kingdom and Europe, (b) freight rates charged on commodities imported from the West Indies, (c) remittances from the West Indies on sale of commodities there and (d) interest on loans to planters. Returns from commission rates depended on the rate itself and on the condition

44. Ibid., 11 March, 1779.

45. Ibid

46. Ibid., A. Houston and Co. to Fergus Paterson, 20 March, 1781. See also Macpherson, op. cit., III, 685.

47. For payment of customs duties in the West Indies trade vide supra, 159.

48. Ragatz, op. cit., 164.

of the market for West India produce in U.K. and European markets when the cargo of a particular vessel was brought to sale. Details on commission payments are only available for the years 1775-79 for a single firm. Throughout this period the rates of Alexander Houston and Co remained at 2½ per cent;<sup>49</sup> this would be a fairly minimal contribution to any merchant's income - on a cargo of 70 hogsheads of sugar, Houstons only obtained £44..15..10 in commission.<sup>50</sup> The condition of the market for West India produce was important, however. On the relationship between it and increasing freight rates depended the planter's ability to keep up a consistent flow of remittances to merchant firms in payment for commodities imported, loans obtained and favours done.<sup>51</sup>

The pattern of the market throughout the war presents a picture of baffling complexity; not only did commodities vary in price to a marked extent but even within a particular year the cycle of gluts and shortages caused by the operations of the convoy system makes nonsense of all but the most restrained generalisations. In 1778, for example, prices were at the low level of 35/- - 40/- per cask of sugar in January; two months later the market rate was approaching 60/- per cask; by June, prices had fallen to 43/- - 44/-.<sup>52</sup> Given the absence of monthly price statistics the investigator must proceed to outline the general pattern of sugar price history during the war from the available merchant papers.

In 1776-7, and at least until May, 1778, one might safely say that

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49. NLS, MS 8799, Alexander Houston and Co's Salebooks, 1775-79, passim.

50. Ibid., 2.

51. For a full discussion of the business relationship between planter and merchant vide supra,

52. See Appendix VIII/D. The Franco-British political situation would, of course, have exacerbated the market's eccentricity.

53. Press sources proved disappointing in this respect.

the sugar market favoured the merchant. In March - April, 1776 sugars were advancing at 5/- per cent.<sup>54</sup> Temporary decline did occur in May of that year<sup>55</sup> but from June - October, sugars were running 'much about last year's prices' at a favourable level.<sup>56</sup> The market continued to offer profitable opportunities in 1777. In January - February of that year sugars were advancing (at 10 per cent in January) and still kept up by the end of February.<sup>57</sup> In March there had been 'no decline' in the prices of West India produce and Houstons hoped that 'there will be no decline while this American War continues'.<sup>58</sup> Prices did fall in July with the arrival of the first fleet but by October - December they had recovered their old buoyancy.<sup>59</sup> January 1778 was similar to the same month in the previous year: in the United Kingdom and in Europe generally, prices were good.<sup>60</sup> A price fall in February was soon ended in March, when rumours of an immediate war between Britain and France gave sugar a scarcity value.<sup>61</sup> By May, however, Houstons reported that 'sugars are become unsaleable'.<sup>62</sup>

Not all West Indian commodities behaved in this way during the first two-and-a-half years of war. As early as January, 1777, after the temporary increase in demand from the Royal Navy, rum prices fell rapidly.

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54. NLS, MS 8793, A. Houston and Co to Josias Jackson, 4 March, 1778; to D. Macfarlane, 19 April, 1776.

55. Ibid., A. Houston and Co to D. Campbell, 31 May, 1776.

56. Ibid., to D. Macfarlane, 21 June, 1776; to W. Thomson, 1 Oct., 1776.

57. Ibid., to J. Mackintosh, 2 December, 1776; to Lytcol Tyrrel, 4 Jan., 1777; to Frederick C., 3 February, 1777.

58. Ibid., to Capt. Daniel Graham, 22 March, 1777.

59. Ibid., to Andrew Grant, 6 July, 1777; to D. Campbell, 18 Oct., 1777; to Thomas, 1 December, 1777.

60. Ibid., to Captain David Scott, 29 January, 1778.

61. Ibid., to Robert Bogle, 9 February, 1778; to Messrs Turner and Paul, 10 March, 1778.

62. NLS, MS 8794, ibid. to Messrs Turner and Paul, 27 May, 1778.

The commodity was then described as 'unsaleable'.<sup>63</sup> By the summer of that year rum was 'in no demand'. Complaints on these lines continued to the end of 1777 and into 1778.<sup>64</sup> Cotton prices in early 1777 were fairly good but the expected heavy crop due in the summer of that year was expected to cause a marked fall.<sup>65</sup> By the autumn of 1777, 'cotton, even of the best quality, will hardly sell at any price'.<sup>66</sup> Cotton was a 'drug' in December - a reflection of seasonal demand for the raw material - but even in February - March prices were very low because, in the words of Houstons, 'the market is overstocked'.<sup>67</sup>

The coincidence of a uniquely large importation of West India produce in the summer of 1778<sup>68</sup> and a marked restriction on credit as a result of French entry into the war, had a devastating effect on demand. From June - November, the same refrain is repeated in the correspondence of Alexander Houston and Co, 'the sugar markets throughout Britain and Ireland have for many months past been extremely dull...'<sup>69</sup> 1779 did witness a slow recovery from this depression. By April-May most buying in the sugar markets had ceased as brokers awaited the arrival of the summer fleets from the Caribbean.<sup>70</sup> Prices did pick up in the late summer-early autumn but prospects only looked optimistic in relation to the slump of

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63. Ibid., to Neil Lambie, 27 January, 1777; to Charles Irvine, 28 August, 1777.

64. Ibid., to Mrs Anne Braben, 3 December, 1777; ibid. to Messrs Houston, Paterson and Co., 26 March, 1778.

65. Ibid., to Messrs Turner and Paul, 15 July, 1777.

66. Ibid., to D. Macfarlane, 30 November, 1777.

67. Ibid., to Thomas Townshend, 8 December, 1777; to Edmund Lincoln, 20 February, 1778; to Messrs Turner and Paul, 10 March, 1778.

68. See Appendix III/D.

69. NLS, MS 8794, A. Houston and Co to John Paterson, 20 July, 1778; to Messrs Turner and Paul, 25 August, 1778; to John Paterson, 13 November, 1779.

70. Ibid., to Messrs Houston, Paterson and Co., 14 May, 1779.

1778.<sup>71</sup> Yet rum was 'always a losing article' and cotton prices continued at a depressed level due to the 'great quantity of prize cotton' that had been landed in the Clyde.<sup>72</sup> Recovery was maintained in 1780 with sugar fetching 50/- - 54/- in August as compared with August of 1778 when 'the market was very dull for all West India produce'. 1780 even compared favourable with 1777; in July of that year prices lay between 37/- - 40/-.<sup>73</sup>

Naturally one must bear in mind when assessing these figures that expenses of navigation had increased substantially since 1777. The market did not keep up for long, however. By December it was noted that it was 'exceedingly dull'.<sup>74</sup> 1781 was a good year with 'our market pretty high' and 'sugars turning out very well'.<sup>75</sup> With total importations down on the 1779 figure,<sup>76</sup> with news filtering back of the French captures of British islands and with a real danger of the sources of sugar, cotton and rum being eliminated, buyers eagerly strove to corner the limited supplies. In October, 1781 optimistic reports were still emitting from Glasgow merchant houses: Speirs, French and Co opined that 'the price of tobacco, coffee and cotton have lately advanced higher than could be expected'.<sup>77</sup> Yet although 'handsome profits' could be made on these articles, Speirs noted the effect of insurance premiums and rising labour costs on the market for sugar and rum: 'Every person who imports Sugar and Rum produce of the British Islands loses more than the freight. Therefore you

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71. Ibid., to Captain James Young, 12 August, 1779

72. Ibid., to Messrs Houston and Paterson, 5 October, 1779

73. Ibid., to John Paterson, 23 August, 1780.

74. Ibid., to D. McFarlane, 14 December, 1780.

75. Ibid., to John Bunney, 12 March, 1781

76. Clyde imports of sugar in 1779 totalled 4,982 hogsheads; in 1781 total was 3,200. See Appendix III/E-F.

77. GCA, TD 131/9, Letterbook of Speirs, French and Co., Speirs, French and Co to Robert Burton, 29 October, 1781.

must buy prize goods'.<sup>78</sup>

Three factors combined in the summer and autumn of 1782 to cause a further slump in the market for sugar, cotton and rum. These were the prospect of peace, the persistent rise in operating costs which boosted the market price of commodities and the poor harvest of 1782, which eroded domestic demand. Brokers and buyers were holding back in June, 1782 because of 'a notion of peace being at hand'.<sup>79</sup> Increase in customs duties and the 'monstrous expenses of navigation'<sup>80</sup> artificially raised the market price beyond the reach of many consumers, to such an extent that, thought Alexander Speirs, 'if the war continues one year longer our Trade will be carryed in Neutral Bottoms only'.<sup>81</sup> No 'speculations' in tobacco, sugar and rum were to be undertaken by Speirs, French and Co until the spring of 1783 because of the likelihood of peace. This was company policy in the late autumn of 1782.<sup>82</sup>

One can therefore conclude, looking at the period 1776-82, that prices of West India produce gave fair return only in 1776-7 and to a lesser extent in 1780-1. Yet it is highly questionable if even these good years gave the planter class in the West Indies a return of sufficient magnitude to compensate for their own rising costs and thus enable them to keep up a flow of remittances to Glasgow merchant houses. The latter raised freight charges on West India produce as their own operating expenses mounted. Rates from Jamaica, standing at 3/9 per cask of sugar in October, 1775 were 8/- in November, 1778.<sup>83</sup> Yet such increases would only remunerate the

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78. Ibid.

79. Ibid., Speirs, French and Co to Robert Burton, 20 June, 1782.

80. Ibid., to Thomas Eden, 20 June, 1782.

81. Ibid., to Charles Court, 31 May, 1782; to Thomas Eden, 20 June, 1782.

82. Ibid., to Messrs Braumberg, Stockerson and Co., 1 October, 1782.

83. See Appendix XII/c.



merchant in real terms if the planter was able to pay them.

The same situation obtained as far as returns from sale of British commodities on the Caribbean was concerned. It was every exporter's dream to sell for cash or goods in the West Indies and leave no debts behind him, but such optimism had little place in the harsh world of commercial reality. As has been demonstrated the West India planter had a chronic tendency to sink deeper into debt as year followed year.<sup>84</sup> During the American War the ability of the planter to pay freight charges and to keep up a flow of debt payments was considerably diminished. The outbreak of hostilities at one blow removed the provision centre of the West Indies. As the Governor of the Leeward Islands observed in June, 1774, 'Without frequent supplies of Biscuits, Wheat Flour, rice and Indian Corn from the Continent of America, the inhabitants could not subsist'.<sup>85</sup> The disruption of supplies from North America was to some extent alleviated by the condemnation and sale of prize cargoes,<sup>86</sup> by the extension of ground crops in the islands,<sup>87</sup> and above all by the gradual replacement of North America by Ireland as the main provision source.<sup>88</sup> Although preventing a wholesale collapse in the Caribbean economy, these alternatives could not prevent a dramatic rise in the price of West Indian provisions throughout the war.<sup>89</sup> Food supplies from Ireland, in addition to being intrinsically more expensive because of the greater distances involved, were highly priced in the early days of the war because of military demand from America.<sup>90</sup> All the

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84. Vide supra, 167-8.

85. Quoted in Bagatz, op. cit., 412.

86. Macpherson, III, 618.

87. Bagatz, op. cit., 147.

88. Vide supra, 264, 281.

89. See Appendix XII/e.

90. NLS, MS 8793, A. Houston and Co to Messrs Turner and Paul, 31 May, 1776.

evidence of Scottish correspondents indicates widespread distress among planters from this period onwards. In July, 1776, in Jamaica, 'Provisions of every kind are immoderately high and the bare necessities of life cannot be had for money'.<sup>91</sup> Complaints of this sort continued into 1778.<sup>92</sup> At the end of 1778, the planters and merchants of the West Indies addressed King George, pointing out that 'a scarcity of food almost approaching to famine' had been caused by 'the privation of the wanted supplies of provisions and lumber from America ...'.<sup>93</sup> Surviving evidence for food prices suggests in some cases a fourfold increase throughout the war years.<sup>94</sup>

In addition, the price of plantation equipment soared. Houstons complained in the boom year of 1776 that goods were 'so ill to be got' and were much more expensive than in 1775.<sup>95</sup> In 1782, Speirs, French and Co were emphasising the 'very high price of every commodity'.<sup>96</sup> Also insurance premiums on cargoes (paid by the planter) as well as on ships (paid by the merchant) were going up.<sup>97</sup> In view of all these factors it is scarcely surprising that merchant letters give considerable space to the fact that remittances from the West Indies were, in many cases, drying up. Yet at a time when external sources of credit were becoming restricted, remittances from the West Indies were particularly essential. Houstons proclaimed in July, 1778, that they were uncertain 'whether it will be in our power to ship goods to anybody this year; unless we receive very

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91. Edinburgh Evening Courant, 30 October, 1776. See also Macpherson, op. cit., I, 594.

92. Ibid., 15 February, 22 March, 20 August, 1777.

93. Quoted in Macpherson, op. cit., I, 628.

94. See Appendix XII/e.

95. NLS, MS 8793, A. Houston and Co to Messrs. Turner and Paul, 1 October, 1776.

96. GCA, TD 131/9, Speirs, French and Co. to Robert Burton, 29 January, 1782.

97. Vide supra, 274-5.

large remittances we will not'.<sup>98</sup> The extant records of this, the wealthiest and most experienced West India house in Glasgow allow the investigator the opportunity of examining the effect which the stagnation in remittances had on the expansion of Clyde-Caribbean commerce during the war.

In the spring and summer of 1776, Alexander Houston and Co were vigorously trying to make new contacts and forge fresh links in the islands of Jamaica, St. Vincent, Grenada and St. Kitts. They were pointing out to prospective customers how Glasgow was 'a very favourable market' and how they wished to form 'such safe connections as will give employment both out and home for two ships at least by shipping herring and plantation stores'.<sup>99</sup> Before the end of the year these positive plans had been significantly altered. They wrote to one planter that they had thought of employing a small ship of 250 hogshead burden in the trade to Grenada but '... were afraid of a difficulty in loading her and indeed until this unlucky American War is ended we believe we must give up thought of it'.<sup>100</sup> At the same time they were informing a prospective customer in Dominica that '... in the present distracted condition of publick affairs we are rather inclined to synd up than extend our business'.<sup>101</sup> These policies, it will be noted, were being developed long before the depression of 1778 and the French entry into the war had rendered investment in Caribbean commerce particularly risky.

With insurance premiums and labour costs rising in 1778, Houstons

98. NLS, MS 8794, A. Houston and Co to Messrs Houston and Paterson, 20 July, 1778. For a similar comment on plans for 1779 see A. Houston and Co to Messrs Houston and Paterson, 21 October, 1778.

99. NLS, MS 8793, A. Houston and Co to Duncan Campbell, 4 March, 1776; to Messrs Houston and Paterson, 4 March, 1776.

100. Ibid., to James Nisbet, 1 October, 1776.

101. Ibid., to John Cockburn, 1 October, 1776.

wrote in some desperation to their main agency in Grenada that remittances were proving so slow and expenses so unmanageable that little profit was possible.<sup>102</sup> While admitting, however, that they were 'not keen to form new connections', they nevertheless indicated that they were 'loath to lose old ones'.<sup>103</sup> Wartime plans were apparently based on keeping careful restraint on new commitments yet with an equal determination to continue prosecution of the trade at pre-war levels. In a word, the war had imposed a halt to the secular expansion of the Clyde-West Indies trade. The same policies predominated in the period 1779-82.<sup>104</sup> The Company was even unwilling to take mortgages on sugar estates, although it had been pre-war strategy to move into plantation ownership. Physical assets in the Caribbean were not desirable because of the vulnerability of the islands to French attack.<sup>105</sup> The conclusion that their policy was very much one of hold and contain is reinforced by details on their total sugar importations throughout the war:<sup>106</sup>

TABLE 29

Sugar Imports of A. Houston and Co., 1774-1783

<u>Year</u>	<u>Amount</u>
1774	1042 hogsheads
1776	984 "
1778	853 "
1779	900 "
1781	1012 "
1782	638 "
1783	1747 "

102. Ibid., to Messrs Houston and Paterson, 21 October, 1778.

103. Ibid., to Messrs Turner and Paul, 1 December, 1778.

104. Ibid., to Arch. Esdaille, 28 January, 1779; to Robert Houston, 17 January, 1780; to Fergus Paterson, 20 March, 1781.

105. NLS, MS 8793, A. Houston and Co to T. Townshend, 8 December, 1777.

106. Appendix VI/b-h.

Thus only in the final year of war when peace negotiations were already far advanced did the company's total importations top the total for 1774. Obviously there was stagnation on trend.

Taking the evidence of the avowed policies of the greatest West India house in Glasgow, together with the figures for sugar importations of Port Glasgow and Greenock outlined in the first part of this section,<sup>107</sup> it must be concluded that the pressures on credit and profits exerted by the American War were such that although trade did not collapse, Clyde-Caribbean commerce was restrained until peace was signed.

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107. Vide supra, 247.