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The Scottish Connection with India 1725–1833

Les rapports entre l'Écosse et l'Inde entre 1725 et 1833

George K. McGilvary



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The Scottish Connection with India 1725–1833

The 1660–1720s

Without in any way forgetting “The Company of Scotland Trading to Africa and the Indies” incorporated in 1695, the Scottish connection with India really began in and around 1725 (Watt, 2007; Jones, 2001). As is explained below, the reason why Scots were going to India in numbers from that date had more to do with the good government of Scotland, from Westminster’s point of view, than it did with anything else (McGilvary, 1989, 2008). And yet, this Scottish attempt in 1695 to push into the markets of the Indies, challenging the powerful English, French and Dutch East India Companies, can be regarded as a symptom, a part of something much larger exploding on the Scottish scene. This was nothing less than the Scottish elite commencing an expansionist drive in the field of mercantile and banking activities that began to build from the 1660s.

Scots merchants had been trading for centuries throughout the Baltic lands and Europe. However, this commerce had deteriorated, particularly in the last two decades of the seventeenth century. The English Navigation Acts, shrinkage of trade with European countries like Poland and the plundering of Barbary corsairs all took their toll. Nevertheless, just at this most inopportune time, members of the elite wanted to be involved alongside traditional traders. They wished to join with those middling class of merchants operating the length and breadth of the Scottish east coast and now forging new transatlantic ventures alongside their West Coast of Scotland brethren (Devine, 2003; Fry, 2001; Saville and Auerbach, 2006; Grosjean and Murdoch, 2005).

There are various explanations for this expansionist drive, though only an outline is necessary here. For example, the social origin of these privileged individuals is important. At the top, they were mainly the sons of traditional members of the military aristocracy and landed classes—of lairds and gentry, north and south of the Highland line. Those whose fathers were lawyers and professional people, such as doctors, tutors and clerics, swelled their numbers. They found common cause with bankers

and financiers, as well as with merchants. There were also demographic changes creating pressures. Traditional openings for younger sons were drying up just when survival rates were going up.

Bad times in Scotland preceded the 1707 Union, particularly the poor trading conditions in the established Baltic, mid-European, French and Netherlands areas. Other factors were also at work. The English Financial Revolution, as it affected Scotland, was one. The opening up of America—spearheaded by commerce in West Indies sugar and by Glasgow tobacco merchants, was another—; as were the stirrings of the Scottish Enlightenment, and some freedom from spiritual dogmatism. There were constitutional, religious and political problems—categorized by the Glorious Revolution of 1688, the coming of William and Mary and the Jacobite struggle. All of Scottish society was affected by war being waged both in Scotland and in Ireland (Murdoch, 1998; Devine, 2003; Fry, 2001; Saville, 1996).

The commercial models and knowledge brought home by Scots exiles from the Continent, especially from Holland, and most of all, reverberations from the financial Revolution in England, wracked would-be Scots entrepreneurs with jealousy. There was a drive by these elitist, burgeoning Scottish adventurers to be involved in the new enterprises heard about elsewhere and a desire to tap into anything and everything that smelled of money. Despite immediate problems in almost all fields—social, economic and political (which in time would be surmounted)—this was an era of exceptional prospects in a world opening up thanks to new commercial methods, financial developments, exploration and advances at home, in London, and in markets both east and west. To all this, Scots were neither blind nor indifferent. They were searching for ways in which to operate. From around the 1690s, members of the Scots elite were ready to launch themselves upon an unsuspecting world. From their home in the north, the younger members of the Scottish gentry began to spread southwards, especially into London and the southeast of England.

Darien

“The Company of Scotland Trading to Africa and the Indies” and its attempted settlement on the Isthmus of Darien can be seen in this context of expansion. Its failure was felt at every level in Scotland. The disaster that unfolded was mainly due to bad management and unrealistic objectives by the Scots in charge. The would-be settlers also faced the rabid hostility of the Spanish, the implacable opposition of the English East India Company, and the hostility of the monarch, who, with his

eyes fixed on Europe, feared the hostility there that this Scottish enterprise might cause. Most of Scotland's elite were involved with the "Company of Scotland" from 1695, and affected by its disaster at Darien. In fact, Scots from all ranks had participated to an astonishing extent (Watt, 2007; Jones, 2001).

In effect, the Darien disaster was a wakeup call, a shock that came from competing with major colonial powers in carving out an empire, and lessons were learned. Scotland's diminutive size, paucity of resources, especially a lack of money and no navy, would dictate commercial strategy and tactics from then on (Fry, 2001, pp. 26–30). However, the point of the "Company of Scotland", as Watt explains, is that it broke the constitutional crisis inherent in the Regal Union of 1603. Scots entrepreneurs had snapped the bonds (outlined above) that had curtailed them, epitomised by the Crown's executive warrant always favouring the English (Watt, 2007; Devine, 2003). Then, whatever the rights or wrongs of the 1707 Union, from a Scottish perspective, admittance to England's colonies and to her monopolies followed. Scots were free to access the English East India Company (EIC) and the African Company. There was an end of Navigation Acts and threatened penal laws, and essentially, the protection of the Royal Navy. Nothing could have suited privileged Scots more. They would now have help expanding their commercial endeavours and developing new opportunities, rather than being hindered. They were to benefit too through the money that came from the "Equivalent" feature of the Union. This promised money from the English Exchequer sweetened the loss of sovereignty (Watt, 2007; Saville, 1996).

Meanwhile, within Scotland a multitude of commercial and financial developments was taking place. The end of the century witnessed the creation and husbanding of various resources. More banks appeared, and they developed savings, cheque and deposit schemes. There was more company formation and development. These changes were accompanied by new legal initiatives that ensured contracts and other business and land transaction were protected. The privileged orders were responsible (among other things) for founding the Bank of Scotland in 1695, and for Dutch views on law being codified into the Scottish legal system. Her lawyers continued establishing the sanctity of property and profit even further (McGilvary, 2005; Saville, 1996; Lenman, 1977; Cairns, 1996).

Scots Elite in London 1660–1725

London was the next—and vital—springboard for members of the Scottish Ascendancy, although there were not too many of them there until

the last two decades of the seventeenth century. Nevertheless, a Caledonian presence in the English capital can be traced from at least 1603. Nobles, courtiers, agents, entrepreneurs and adventurers had accompanied the Scottish monarch, James VI as he made his way south to become James I of England. It was a presence that steadily increased as the century wore on, until many from the highest ranks were living, working or in business there before 1700. Casual settlement had taken place too, such as the devout congregating around the “Scotch Kirk”, and the “Scottish Hospital” founded by Charles II, or working in the Port of London (Pittock, 1997; Taylor, 2003).

In the years after 1707, groups from the higher ranks were located in London’s West End and thronged Westminster (as MPs). In the City, they were to be found investing and speculating. They were there in force as merchants, shippers, traders and agents, and especially as goldsmiths and bankers. The Scottish-owned bank that changed name from Campbell to Middleton to Coutts is but one example before the Union, to be joined by Andrew Drummond’s bank in 1717. Recent research has disclosed that greater numbers of Scots were residing in the metropolis and surrounding counties as the end of the seventeenth century approached than has been supposed, and even more going into the new one. Scots professionals were there in extraordinary numbers, concentrated in wave after wave in and around London. They were the same privileged sons, boosted by others from the middle layer of Scottish society, trained and with professional qualifications (Baker and Baker, 1949; Carswell, 1960; Davies, 1951; McGilvary, 2005; Price, 1876; Stokes, 1981).

East India Patronage and the Political management of Scotland 1725–1780

By 1706, the sea-roads to the east, to India, China, the Spice Islands and to Africa, had long been opened up, with again, the English, the French, Portuguese and Spanish making an early start. However, Scots were already involved, surreptitiously, and engaged in the coastal trade (sometimes called “country trade”) of India, the Indonesian Islands and in Canton. There was a degree of involvement in the EIC, as physicians, skippers of EastIndiamen and as mercenaries. Others filled the ranks of the Dutch East India Company and Jacobites would disappear into the Ostend, Danish and Swedish Companies. Yet, all this was patchy, not systematic. It is only from the 1720s (as indicated earlier) that a remarkable number of Scots begin to appear abroad as servants of the EIC, at first mainly as civil servants, medical men and as crew of East Indiamen,

while others became free-merchants in the settlements (only after Cul-loden were Scottish officers recruited in vast numbers into the EIC's military branch).

The Scots were there in exceptional numbers because the Whig Government in London commenced using East India patronage to maintain political control of Scotland. The 1725 Shawfield riots over the new Malt tax roused great fear in Walpole, the new First Minister. The severity of the outburst startled him. He became aware that more than mere annoyance at the tax was involved. Poverty, nationalistic feelings and resentment at what appeared a sell-out in 1707 were simmering throughout the land. He was also made conscious of the fact that Jacobite sentiment was widespread—something that by and large, many in London did not seem to appreciate—and that followers of the House of Stewart were using such antagonism for their own purposes. The very fragile Union was at serious risk. A military solution to the crisis was certainly out of the question, so the First Minister resolved to use every scrap of patronage he could find to ensure safety and stability north of the Tweed. It was to be bribery, but there were few lay and ecclesiastical preferments in Scotland to spread around. Only the abundance of EIC favours saved the day—there was never sufficient Secret Service money available, and certainly not enough to buy the votes required.

Although Walpole initiated the system, the minister's employment of this India patronage was only possible in the first instance because of the presence in the Company Directorate of a Scot, John Drummond of Quarrel, who had become a director in 1722. Drummond was already well known to Walpole, however, through earlier activities as a diplomat, secret agent and businessman, in both Holland and London. Through him, and fellow Directors, like James Brydges, Duke of Chandos, Sir Matthew Decker and Governor Harrison, large numbers of Scots were to fill posts in the Company.

From 1725 to the late 1770s, successive ministries continued to use this well-defined patronage system. In exchange for general electoral and political support, Government connections within the Company continued to be stimulated to offer positions to selected individuals and families who formed a large part of the Scottish elite. In this manner, a disproportionate number of Scots came to fill positions in the East India Company, in its shipping and as free merchants. Moreover, these favours were available around 50 years or so earlier than Henry Dundas's first employment of such patronage (McGilvary 1989, 1990, 2008).

Operation of the Patronage System 1725–1765

The First Minister's intention runs through his message to Townshend in September 1725: "Scotland and Ireland are quiet, if we take care to keep them so." The method chosen was to "keep the Scottish peers and representatives lined up in the ministerial support". Almost immediately, the chain of command needed in Scotland to implement this policy was introduced. Power was given to Argyll and his brother, Lord Ilay. Using their henchmen, Duncan Forbes of Culloden, Lord Milton and John Scrope, they commenced to "bring in the Scottish tumults" and nullify Scotland as a "potential centre of trouble...". It was done by a lavish dispensation of favours, from any source, and the India patronage John Drummond was able to distribute, was to be critical (Realey, 1931, pp. 65–6, 140–41).

To the ministry's immense satisfaction, the political management system worked, with the chain of command going downwards from Walpole to Argyll, to his able "sous-ministre" Lord Milton, and often to another lawyer, John Mackenzie of Delvine. In the years from 1720 to 1742, EIC patronage was controlled from London through Drummond. He and his friends in the EIC Court of Directors ensured that positions were made available to government. After 1742, it was distributed according to how Ilay and Lord Milton adjudged the political situation in Scotland. This lasted until 1765, by which date both of these magnates were dead.

Although the '45 stimulated a new wariness among English MPs, the underlying attitude of Westminster politicians towards Scotland remained constant, and the system of political supervision and management continued. It continued because it was seen to work and possibly because of the finality of Culloden. EIC favours were particularly sought after and Parliamentary figures lent themselves to securing these, when and where possible.

What is more, the major ministerial intention, to integrate the Highlands with the rest of Britain, was very much at the head of the agenda. At a political and military level this policy was "pursued extensively and with great determination" and it was quickly realised that EIC favours helped counter the Jacobite threat (Youngson, 1973, p. 26). Pelham's willingness to allow the Argathelians every opportunity to push for assimilation was very good for Scotland and the Jacobites. The Pelham–Argyll link lasted until the English minister's death in 1754. Helped by Milton, these two statesmen contained the worst anti-Scots feelings and averted a threat to the political stability of the new kingdom.

The Seven Years War (1756–1763) created a tremendous demand for troops, so much so that in 1759, even Lord Chancellor Hardwicke expressed interest in raising regiments in Scotland. In the early 1760s, Chatham's neutral attitude towards using Scottish fighting men also helped. The officers joining the EIC militia were under no illusions, however: they went to India to amass a fortune, quickly if possible, and get back home again. Sons of the Lowland Whig gentry preponderated, but their numbers were leavened by clutches of "loyal" Highlanders, such as the Campbells, as well as by a trickle of ex-Jacobites, like Captain Alex Grant and by a collection of maverick adventurers such as General Andrew Anderson and Major John Morrison (McGilvary, 2005, p. 180). The numbers of Scottish soldiers going to the Indies increased as the years wore on, swollen by recruitment for military struggles against Indians and Europeans alike, and the need for personnel created by the Company's territorial expansion after Plassey in 1757 (McGilvary, 2005; Bryant, 1985; Farrington, 1999; Kiernan, 1992; MacKillop and Murdoch, 2002, 2003).

Operation of the Patronage System 1765–1780

While Walpole's successors did not have his political authority, relations between ministries and the monopoly's executive remained close. This was vital, because the systematised patronage network involving East India Company posts continued to depend upon strong Ministry–Direction links. Problems first appeared in the 1760s, when favours to ministers and individuals would depend upon support given and alliances formed during the contested Company elections at India House, London. Dispensation of patronage would then be in the hands of whichever group ended up with a majority in the Court of Directors following the April election each year. The contenders would consist of the leading Director, Laurence Sullivan; one or other of his enemies, especially Lord Clive; or a group of Government nominees within the Company acting on orders from Westminster.

Further disorder set in with the first Governmental attempt to control the Company in 1766–67 and all harmony ended with the instability and financial disaster that befell the monopoly between 1770 and 1773 and ended in governmental intervention. Nevertheless, nothing fundamental changed in patronage terms: Scottish aristocratic ambitions, political realities and pursuit of posts and pensions followed well-grooved paths. In fact, the triple boost of having Bute as Prime Minister from 1761, a war, and massive expansion in India, led to a follow-on in the use of India

patronage for political purposes, even after the demise of Argathelian direct control with Milton's senility in 1765 and death in 1766. Sufficient foundations were laid to ensure patronage continued much as it had always been, into the 1770s. Moreover, those candidates with Jacobite pasts or tendencies cloaked their feelings and almost became good Whigs.

East India Company patronage fitted perfectly into the scheme of things. All ministries used it, from Walpole in the 1720s, through Bute and Lord North, tailing off with Pitt the Younger in the 1780s. Such was the need in Scotland for employment among the friends and younger sons of lairds, gentry, lawyers, clerics, military and naval officers that it was greeted exuberantly. Scottish grandees gladly exchanged electoral votes, and agreed to support Whig candidates for Westminster in return for such bounty. Thus, when Henry Dundas became President of the India Board in 1784, he had 50 years of political management and use of India patronage by others to look back on (McGilvary, 1989, 2005, 2008; Parker, 1977).

Scots Nabobs, EIC Directors and Proprietors in Mid-Eighteenth Century London

By the 1750s and 1760s, Scots formed a distinctive business group in London, one that continued to grow. It was an extremely close-knit combination, often drawing the wrath of those excluded. They seized the opportunities available through being residents of the biggest commercial conurbation of its day. Many had delved into London business from an early date; quite a few were Jacobites. Some Scots became very powerful, thriving as businessmen, goldsmiths and bankers, like Thomas Coutts and Andrew Drummond. Another Scot, Thomas Watts, was "the principal force controlling the Sun Fire Office". He had been there since the 1720s (McGilvary, 2008, p. 188).

Many Scots, like Sir Alex Gilmour and Sir Alex Grant of Dalvey, Elgin, both proprietors and landowners, were large EIC stockholders, involved in Company politics and Indian affairs in general, dating from the 1740s and 1750s. Nevertheless, their Company involvement formed only one part of a complex array of enterprises within the commercial world they moved in. Gilmour was more usually associated with fellow Scots engrossed in EIC politics and business, like Sir James Cockburn and Sir Laurence Dundas. Others, such as Grant, were ever ready to help their family and fellow countrymen get to India. Grant had made a fortune in the West Indies as a merchant, and had bought lands in Elgin and Nairn. As a City of London businessman, "his interests extended

from the Mediterranean to the West Indies, America, Africa and India” (quoted in McGilvary, 2008, p. 95).

Scots located in London who had EIC connections continued to develop in importance, as is illustrated by the brothers Alexander and Abraham Hume. From 1731 through to 1772, they gave the patronage system extensive support. Like so many with Jacobite origins, they started their careers in the Ostend Company. In the City, ties were formed with the Scottish merchants Sir William Mayne and his brother Robert Mayne. The Mayne brothers, in turn, encouraged the spread of the patronage system, not least to their nephews, John, James and George Graham of Kinross. It was the same in the expanding shipping, ship insurance and fire insurance businesses. The Moffat brothers, Captains Charles Foulis and his nephew, Robert Preston, were among the most prominent in these fields (McGilvary, 2008; also McGilvary, 2005).

Scottish Commercialism in India and South-East Asia 1770–1833

By the late eighteenth century, countless numbers of Scots from the privileged orders were providing superb, efficient service in administrative-military spheres, within the EIC, up to the Indian Mutiny of 1857, and throughout the days of the Raj thereafter. This again was done as combined British commerce and imperialism began to assert itself globally. The favoured Scottish elitist groups that penetrated the EIC and India from 1725 and had flourished there, by mid-eighteenth century had also journeyed on in an increasingly commercial manner.

These Scots were filling important and lucrative posts in every branch and together with Scottish free merchants, seized upon available mercantile opportunities. Upon arrival in India, Scots, just like all recruits, irrespective of ethnic background, used the little money they had, and that of fellow-servants employed in the Company’s service, eager to see their money accumulate through investment. Yet, Scots seemed to fill an uncommon number of niches. From mid-eighteenth century, they were setting themselves up as agents, forming cartels in all the Presidencies, and were deeply involved as merchants, bankers, shippers and insurers—as and where needed. Scottish names appear relentlessly in the Mayors Courts of Bombay, Calcutta and Madras, where deals and transactions, as well as legal matters concerning trade were handled (McGilvary, 1989, 2008). Agency firms, owned and run by Scots, were busy in the inland trade, using the privileges granted by the *dastak* (permission to trade). In addition, by acting as moneyed middle men between *ryots* (Indian

peasants) and the EIC, they provided a crucial service. The indigo, sugar, cotton and opium trades relied upon them.

Nowhere, however, was this Scottish infiltration seen more than at sea (see also Kiernan, 1972, pp. 33–78). There was an ever-increasing Scottish presence in the country (or “coastal”) trade of the Indian Ocean and the China seas. Scots sailed from all the Indian Presidencies: they penetrated the Red Sea, the Persian Gulf, along the Gujarat Peninsula and worked their way south and east into the East Indian archipelago, and on to Canton and Macao. Operating alongside Asian traders, these sailors were welcomed because of navigational and seafaring skills.

Their superior seamanship meant they were always in demand and this gave them an edge, as did their hands-on approach and superior knowledge of arithmetic, bookkeeping and accounts. Scottish traders were creating networks and opening lines of communication, eventually becoming pre-eminent in an expanding trade between India, China and all South-East Asia. It was an immense Scottish involvement, again out of proportion when all peoples from the British Isles are considered. Moreover, these Scots, overwhelmingly from the upper and middle classes, became the key to the future direction of affairs in eastern waters. They formed the nucleus of the free merchant-cum-agent group that was expanding commerce, creating and developing coastal links in the east—along the southern Chinese coastline, into the East India archipelago, opening Singapore and Penang, and bringing Manila and the Philippines fully into the picture.

The Scottish colouring given to these activities was noticeable from the 1760s, but even more so from the 1780s. Governor-General Cornwallis’s decree of 1787 ended Company servants in all the Presidencies being involved in commercial activities on their own account, and took away the privilege of sending funds home by bills of exchange. EIC officials now switched funds to those free merchants (an overwhelming number of them Scots) who had set themselves up as Houses of Agency. It was then that they came into their own. First of all, they operated on a commission only basis, then on their own behalf, using the money entrusted to them. Not only did Company servants and the like make money: if they chose to invest their funds with an Agency House for some time, the cash, plus interest accrued, would be remitted to London for them through these traders.

Evolution of these Houses of Agency (in all settlements) was overwhelmingly in the hands of Scottish free merchants. They formed sister Houses in London, and opened offices in places like Manila, Penang and importantly, Canton. Alex Adamson, Boyd and Claud Alexander, James Brodie, the David Scotts (Senior and Junior), William Fairlie, John

Fergusson, and Commander John Lennox, all took commanding roles and ran the most influential Agency Houses. They were only the tip of this Scottish influx, which included George Smith, Commander David Rannie, William Young, William Jardine, James Matheson, Alex Colvin, John Forbes, Charles Forbes, Macintosh, MacKillop and many more. Some Scottish agents such as William Jardine and James Matheson had a very close and immensely profitable relationship with Bombay Parsee merchants, such as the hugely influential Sir Jamsetjee Jeejeebhoy, Baronet (Tomlinson, 2001, 2002; Marshall, 1969, 1993b; Tripathi, 1979).

The export of raw cotton and opium to Canton was one part of a triangular trade (though the latter commodity was illegally traded and against the wishes of the Manchu Ch'ing government). The EIC would not trade directly in these commodities, though it retained a monopoly on their production. Individual traders, but principally Houses of Agency, performed the actual purchasing, conveying and sale of these goods. In Canton, Chinese merchants (the Co' Hong) bought the cotton and particularly the opium. All this was done under the supervision of EIC agents (or supercargoes) in the Chinese port—and increasingly directly from the private traders there, again overwhelmingly Scots.

All monies (usually in the form of silver) went into the EIC Treasury in Canton or those of the Indian Presidencies. Before and after the end of the EIC monopoly in 1833, these funds paid for the silks, porcelains and spices purchased in China by the Company, and progressively for the tea being sent to Great Britain in ever-greater quantities via fast Clippers. Company servants, agents and partners in Houses of Agency then had both a market where their funds could attract enormous returns, and a route to London for the remittance of cash so gained (Marshall, 1969, 1976, 1993a; Greenberg, 1951; Phillips, 1961).

Without Scottish Houses of Agency (such as Scott & Co., Fairlie Fergusson & Co., Alexander & Co., Colvin Bazett & Co.) acting as middlemen and purveyors of capital for indigo plantations and production in Bengal, for salt farms and saltpetre, and most of all for opium and cotton, the EIC would not have fulfilled its primary commercial function or been able to remit moneys to London. Through time, the very existence of the EIC in India would come to rely upon the silver paid into the Canton treasury (and sporadically into the treasuries in the Indian Presidencies) in return for opium and raw cotton. EIC officials used this money for the “Investment”, that is, for the purchase of goods by the EIC, in India or China, for sale in the Company’s London warehouses. In return, bills of exchange raised by the official establishment abroad and by the private traders involved, were realised in sterling in London. In this way, salaries and profits were paid for and remittance of the fortunes of both EIC

officials and free merchants was made possible (Greenberg, 1951; Parker, 1985; Blake, 1999; Keswick and Weatherall, 2008; Tomlinson, 2002; *The East India Register*, for 1820s; Phillips, 1961; Singh, 1966).

The principals in these organisations, so many of them Scots, were forever fluctuating and forming numerous, changing partnerships. The aim was always to make a fortune and return home. When satisfied with the wealth he had accrued, a partner severed ties and took his share of the Agency house money with him to Britain. There, he might invest in EIC shares or other commercial activities in the City and perhaps create (or enter an already existing) “sister” House of Agency in London. Many would do this and also buy properties in Scotland or elsewhere. Others went directly to estates already purchased in their homeland. Scott of Dunninald, Angus, Captain John Lennox in Campsie, William Jardine in Dumfriesshire and James Matheson in Perthshire, exemplify all of these disbursements.

The Scots were at the cutting edge of events in South-East Asia that saw the erosion and finally the end of the EIC’s trading monopoly. First, in 1793 its Charter was amended in favour of the Houses of Agency due to unrelenting pressure from these organizations, all hotly pursuing free trade. Through sister Houses in London, they combined formidable commercial influence, with political power. Abroad, they were proving indispensable for continuation of the EIC’s commerce. The authority amassed by Houses of Agency, plus the demands of the French and Napoleonic war, resulted in the end of the Company’s India monopoly by 1813. Pressure continued from British manufacturers for more freedom of trade and they formed East Asia Associations in Glasgow and northern English cities, like Liverpool and Manchester. Houses of Agency in London and in India continued to press for this as well. Scots, major players in this commerce, were foremost in applying pressure. The net result was removal of the EICs monopoly regarding China, in 1833, securing free trade in South-East Asia and beyond (Greenberg, 1951; Bassett, 1989; Tripathi, 1979; Parker, 1985).

From the 1780s, partners in Houses of Agency, acting with the EIC, had largely dictated the shape and nature of commercial traffic in the east and determined the course it took thereafter. The Houses of Agency located in Bombay, Calcutta and Madras, Canton and Macao now had London headquarters as well. After their demise in 1833–1834, due to their greed, and the massive world-wide financial dislocation that affected them all, “Managing” groups replaced the Houses of Agency. This flimsy set-up only lasted until 1839–1840 when the Scottish firm of Jardine Matheson & Co., and that of Dent & Co., survivors of the 1830s crash, took control.

Several authorities have emphasised the Scottish domination of Houses of Agency and the commerce of South-East Asia until 1834. It has also been argued that these Scots probably established the first world-wide trading network. “Coherent and extensive business networks had emerged by the 1790s that linked activity in Scotland, London, India, China, Western Europe, the Caribbean, and the United States.” Through this “international integration in trade and finance”, the Scots elite had encouraged “the processes of globalisation that promoted the Industrial Revolution in Britain” (Tomlinson, 2003).

An explanation is needed for this Scottish dimension. Partly it was due to the attitude, determination, education, commercial training and hands-on approach of the Scottish elite. Given the opportunity, from the 1720s onwards, to operate on a level playing field with the English, they got rid of preceding years of frustration. What was put into operation was all the experience and expertise accumulated from centuries of trading as a small nation, one that had scoured a living throughout Europe and elsewhere. In addition, penetration of the metropolis of London, and especially of the EIC, provided further momentum (see also Blake, 1999; Greenberg, 1951; Parker, 1985).

Perhaps just as important was that after the Argathelian power block of the 1720s to mid-1760s (which had controlled Scotland) gave way, the Dundas government took over. This in turn did not end until 1827, when Henry Dundas’ son, Robert Saunders Dundas, finally gave up the reins of power. Dundas (and his son) quietly continued to provide for friends in the EIC. Patronage was channelled through his favourite acolyte, David Scott (Senior), who was sustained by his mentor, Henry Dundas, as the dominant force in the EIC Court of Directors.

Scott in turn ensured the Government-EIC relationship continued for their mutual benefit—while serving his (and Dundas’s) Scottish Houses of Agency friends, who included most of those mentioned in the text above (see also Philips, 1951, 1961).

Numbers of Scots Involved between 1725 and 1833

Scottish participation was quite astonishing. At India House, between 1720 and 1780, there were forty Company Directors patronising Scottish applicants. Fifteen had direct Scottish associations and at least fifty-two Scots were proprietors of East India stock. Probably around two thousand found their way to India during these years through being able to tap into the patronage system, representing about a quarter of all favours then available. It is likely that a further one and a half thousand found passage

east between 1780 and 1833. This further recruitment is explained by the spread of empire under the flag, that is to say by territorial and commercial expansion. The global warfare that Britain was engaged in from 1756 created a massive need for fighting men, officers and other ranks, and the Indian theatre was one of the most demanding. Participation in the Seven Years War gave way to struggles against Haider Ali of Mysore and then the Marathas. The struggle in that theatre continued alongside the Revolutionary and Napoleonic wars with France.

On the commercial front, by the first two decades of the nineteenth century, some three hundred Scottish free merchants, agents, Captains of EastIndiamen and traders, have (so far) been identified at work in the Indian Presidencies and the rest of South-East Asia. They were employed in creating agencies and building Houses of Agency, involved at all levels as partners and employees. George Smith (a free merchant and native of Fordyce, Banffshire) was moved to think that John Fergusson, then probably the largest and most capable merchant in Calcutta and an Ayrshire man, had provided for “hundreds of his countrymen, in so much that I might almost say, that all the inhabitants of Ayrshire have migrated to Bengal” (Marshall, 1969, p. 176; also McGilvary, 2008; Parker, 1985).

In addition, in Bengal, between 1808 and 1820, there were yet another two hundred or so Scots—reducing to around one hundred by the latter date. They were employed in indigo and sugar production in the main, and as merchandising employees, tradesmen, manservants and shopkeepers. On average, they constituted around twenty-five per cent of the European diaspora there, by far the largest group, apart from the English. There were also around seventy Scottish firms and/or individuals in the City of London involved in agency and Houses of Agency business, many operating for fifty years out of the “Jerusalem Coffee House”. Furthermore, working between Scotland and London, there were at least thirty-seven Scots agents, employed in remitting home goods and funds on behalf of compatriots in India (British Library, OIOC, O/5/26; also Greenberg, *passim*).

From such figures (and in the absence of any alternative) a tentative calculation, at this investigative stage, suggests that the cumulative number from the Scottish elite and bourgeois classes employed in the Indies from 1725 to 1833 was conceivably some three and a half thousand—possibly more. However, the commonly accepted view that the Indian experience (climate, pestilence, dangerous passage) may have claimed roughly half these lives, suggests—although this too is tentative—that the period up to 1833 saw around two thousand Nabobs return to Scotland. Of course, so good was the EIC’s legal administration, the estates of the many who died in the Indies in due course would be realised in Scot-

land by the families of the deceased (Sunter, 1986, pp. 13–14; McGilvary, 2008, Appendix, pp. 209–232; Bryant, 1985, pp. 22–41; Kiernan, 1992, pp. 97–101; MacKillop and Murdoch, 2003; Marshall, 1976; Parker, 1985, pp. 191–219).

Wealth Remitted to Scotland

The Indian connection was to impact on Scotland in ways not anticipated when first set up. The recruitment of Scots in the 1720s and 1730s began to show dividends from the 1750s, as those in India sent back ever-increasing amounts of money, a great deal of which was invested in the social and economic fabric of Scotland. This injection of much needed funds probably reached half a million pounds per annum around the 1750s and 1760s, and nearer three-quarters of a million and more per annum, going into the nineteenth century. Such sums were a colossal stimulus to life in Scotland. The favours, the posts supplied and the money remitted and brought back by those who returned, helped mend society, created a social and economic infrastructure and jobs, robbing Scottish separatism and nationalism of its urgency and probably the Jacobite cause of much of its strength (McGilvary, 2008).

The use made of this EIC patronage and the impact it made, sustained over most of the eighteenth century, helped deliver Britain from further bloodshed, and went some way towards achieving the peace and stability that the Hanoverians and the Whig governments craved. Breathing room was acquired, allowing the concept of a Great Britain to gain hold. A very specific benefit of this patronage was that ministers could use such bait to entice those with sympathetic leanings towards the Stewarts into acceptance of their new masters. EIC patronage helped reintegrate disaffected clansmen—and with them came the votes they controlled. Those with a Jacobite heritage were enabled to enter the new commercial age—and there was always the chance of accumulating a fortune in the Indies. Moreover, so Whig Hanoverian thinking went, should they die there—as many surely would—what was the loss?

Concluding Remarks

This paper is based on the middle section of an on-going study that embraces the period 1660 to 1900, and which focuses on the expanding ambitions and movements of the Scottish élite—south to London, and eastwards to India and South-East Asia in general. It seems apposite,

therefore, to point out that the end of the EIC's sole right to trade in China in 1833 did not spell the end of Scottish pre-eminence in the affairs of South-East Asia. The Scotland-India-China thread continued, particularly so from 1840, with the energies of the Canton then Hong Kong-based Scottish firm of Jardine Matheson & Co. This powerful enterprise and others created and run by fellow countrymen, such as William MacKinnon, would dominate commerce in the Indian and Pacific Oceans throughout the nineteenth century, securing what amounted to a Scottish ascendancy. These Scottish businesses controlled routes and ports, and were immersed in commerce and shipping in the Indian Ocean and Pacific basin—stretching to Australasia. Invariably, their steamers (and the engines) were built on the river Clyde, and manned by Scottish captains, mates and engineers. Scottish-owned firms based in the east, connected with other firms in Britain. A brave new commercial world was created, initiated by the frustrated elite of an impoverished Scotland of the late 1600s and developed by later generations of Scots. The sadness is that whereas the late nineteenth century saw this once poor nation pouring millions of pounds into developing countries all over the world, after World War I, it relapsed into poverty (see Giffen, 2009).

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