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## Edinburgh Portraits

SIR WILLIAM FORBES  
1739 – 1806  
BANKER AND PHILANTHROPIST

SHEILA DEVLIN-THORP

**S**IR WILLIAM FORBES, 6th Baronet of Pitsligo and Monymusk, was born in Edinburgh on 5 April 1739, the only surviving child of Sir William Forbes, 5th Baronet, and Christian Forbes, daughter of John Forbes of Boyndike. His father, an impoverished advocate, died young in 1743 when William was only four and as a result he went to live with relatives in Aberdeenshire. At the age of 14 he returned to Edinburgh with his mother and, a commercial career having been decided upon, he joined the Edinburgh branch of the banking firm of John Coutts & Company.<sup>1</sup> He completed his apprenticeship on

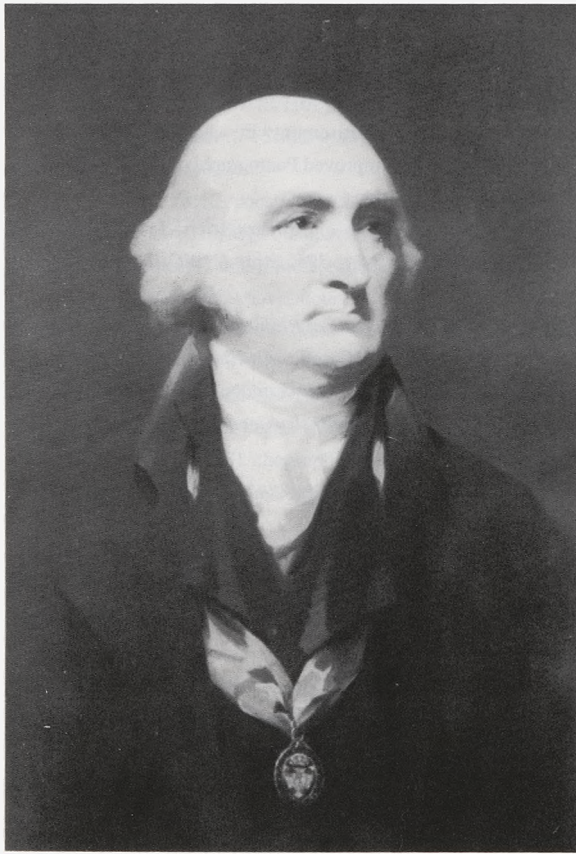


Fig. 1. Portrait of Sir William Forbes of Pitsligo by Henry Raeburn.  
(By courtesy of the Bank of Scotland.)

14 May 1759 and the following year was entrusted with 'a power of attorney' which allowed him to take an active part in the conduct of the firm's business.

In 1761 he was given a one-eighth share in the firm and as a result of the death of the chief partner, John Coutts, and the illness of another, Sir William soon found himself at an early age in complete charge of the bank. He was ably assisted, however, by another former Coutts apprentice, James Hunter (later Sir James Hunter Blair),<sup>2</sup> who, on the reconstitution of the partnership in 1761, became his partner along with Sir Robert Herries. When Herries formed a separate establishment in St James's Street, London, twelve years later, Sir William became head of the newly named firm of Sir William Forbes, James Hunter & Company operating from the south side of Parliament Square. One of his first actions on assuming chief control of the bank was to wind up the trade in commodities, especially corn, which was then prevalent among banks, in order that his bank could confine itself to 'its proper and natural business of exchange and banking'.<sup>3</sup> In 1770 he had married Elizabeth, daughter of Sir James Hay of Haystoun in Peeblesshire and this, along with his new prestigious position, led to his removal from the modest home in Forrester's Wynd to a more gracious residence at No. 39, on the south side of George Street.

Sir William's banking life coincided with a period of extraordinary expansion and prosperity in Scotland, a development of which banking was at once the sign and the cause. Forbes, Hunter & Co. was a partnership bank as distinct from the chartered banks which operated on the joint-stock principle. There were three stock banks in existence at the time: the Bank of Scotland, the Royal Bank of Scotland, and the British



Linen Company. The public banks certainly resented the advantages enjoyed by Forbes, Hunter & Co. who had inherited from Coutts & Co. the remittance of the excise duties from Edinburgh to London. When the tobacco and wine duties were transferred from the Customs (whose remittance had long been held by the Royal Bank) to the Excise in 1780, the total amount involved was some £350,000 per annum.<sup>4</sup> The Forbes banking house was one of the most trusted in Scotland and the firm stand made during the financial crises of 1772, 1788 and 1793 clearly proved its claim to public credit. Sir William attributed his success in private banking to having a good partner; in a letter to his friend George Ogilvie in 1794 he wrote that he considered the choice of a partner to be, in importance, 'next to the choice of a wife'.<sup>5</sup> The first banknotes of Sir William Forbes, James Hunter & Co. were issued in 1783. These were squarish notes for one guinea and one pound, bearing an engraved view of the bank and printed in black. Five-pound notes were also issued

and soon all were freely accepted, even in the public banks.

Besides his successful banking career, Sir William was widely known for his philanthropic spirit. In 1781, on the death of the Honourable John Forbes, only son of Lord Pitsligo,<sup>6</sup> Sir William, as the nearest heir in the female line of the eldest branch of the family of Forbes, succeeded to the estate of Pitsligo in Aberdeenshire; he immediately undertook a series of extensive improvements including the laying out and financing of the village of New Pitsligo in 1787, the introduction of a spinning school and linen manufacture, and the building of a school house, chapel and manse for an Episcopalian minister.<sup>7</sup> He also contributed to the building of the Great Road from Peterhead to Banff which passed through New Pitsligo.

Back in Edinburgh he was actively involved in numerous city projects and charities. As Grand Master Mason of Scotland<sup>8</sup> he laid the foundation stone for the new Edinburgh High School in 1777<sup>9</sup> and also

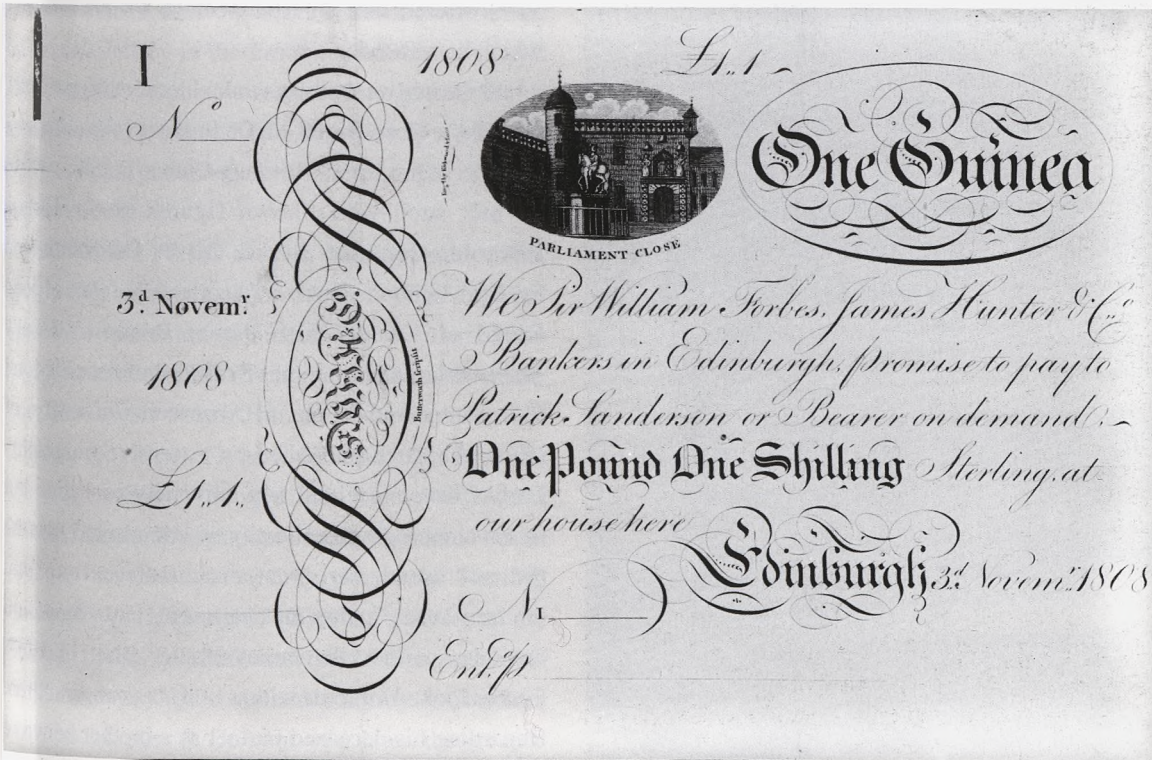


Fig. 2. One-guinea banknote issued by Sir William Forbes, James Hunter & Co., 1808. (By courtesy of the Bank of Scotland.)



assisted his business partner, Sir James Hunter Blair, in his scheme for the South Bridge in 1784.<sup>10</sup> He contributed generously to the Waterloo Hotel,<sup>11</sup> the Blind Asylum,<sup>12</sup> the Charity Workhouse,<sup>13</sup> the Orphan Hospital,<sup>14</sup> the Merchant Maiden Hospital,<sup>15</sup> Watson's Hospital<sup>16</sup> and Gillespie's Hospital,<sup>17</sup> and from 1785 he was a Manager of the Royal Infirmary.<sup>18</sup> He also published a report on the setting up of a lunatic asylum, which was erected in Morningside in 1809, three years after his death; this was later to become the Royal Edinburgh Hospital.<sup>19</sup> He played an active part in the affairs of both the Royal Society of Edinburgh<sup>20</sup> and the Society of Antiquaries of Scotland<sup>21</sup> from their institution, and in 1787 he was appointed one of the Trustees for the Encouragement of Manufactures and Fisheries. His generosity is exemplified in a portrait



Fig. 3. Sir William Forbes by John Kay, 1806. (*Kay's Portraits.*)

by John Kay, the famous Edinburgh barber-caricaturist, in 1806; he is depicted in the foreground as a stately businessman in his office while through a window he is also seen giving money to a poor family.

A fervent Episcopalian, he partly financed the building of the Cowgate Chapel to which the Reverend Archibald Alison came as minister in 1800, and he was also involved in the initial scheme for St John's Episcopal Church in Princes Street.<sup>22</sup> However it was his eldest son William who finally saw the project through and the church completed in 1818. When Walter Scott saw St John's beside the plainer Presbyterian St Cuthbert's he is said to have described the latter as 'the box in which St John's came'.<sup>23</sup>

Despite his business power and wealth, Sir William refused to stand for Parliament and even declined to become part of the 'Dundas interest' which would have secured him a place in the Edinburgh Town Council. William Pitt the Younger often consulted Sir William on financial matters, and in 1799 offered him an Irish peerage for his services, which he refused.

His tastes were always more literary than political. He was a close friend of Dr Samuel Johnson and a member of his famous Literary Club in London, where he met such well known figures as Sir Joshua Reynolds, Edmund Burke, Oliver Goldsmith and Edward Gibbon. Back in Scotland he was a good friend of Adam Smith, James Boswell,<sup>24</sup> Henry Mackenzie, and also James Beattie, Professor of Moral Philosophy and Logic at Aberdeen University, of whom he later published an extensive biography. Forbes never received any university education but in his autobiographical essay he commented 'that he did not dread any great disadvantage from that circumstance'.<sup>25</sup> After the death of his close friend and business partner Sir James Hunter Blair in 1787, Forbes looked after his widow and six young children. Regarding his deceased partner as a brother he wrote a special obituary in his *Memoirs*. The death of his



mother two years later was also a heavy blow, and in her memory he wrote *A Narrative of the Last Sickness and Death of Dame Christian Forbes*.

In the autumn of 1792, Sir William set off for Europe with his wife, Elizabeth, who was suffering from ill-health, and together they visited Italy and Germany.<sup>26</sup> While sketching the castellated cliffs of Ehrenbreitstein on the Rhine, Sir William was arrested as a spy but he was released soon after when it became clear that his drawings were not of a military character. He returned to Edinburgh in the autumn of 1793, and the following year his son William, later 7th Baronet, and his brother-in-law John Hay became partners in the firm.

In 1800 Forbes purchased the estate of Colinton and proceeded to build himself a suburban villa.<sup>27</sup> His last years were spent writing. In 1803 he completed his *Memoirs of a Banking House*, which he dedicated to his eldest son William, followed three years later by the publication of his *Account of the Life and Writings of James Beattie, LL.D.* This work, although criticised by Francis Jeffrey in the *Edinburgh Review* in April 1807, remains a valuable record of the period, and it actually ran to a third edition. *Memoirs of a Banking House* was not published until 1859 and then only for private circulation.

Sir William Forbes died on 12 November 1806, shortly after a visit to London to give evidence at Lord Melville's trial for impeachment.<sup>28</sup> He was buried two days later in Greyfriars Churchyard in a tomb not far from that of Sir James Hunter Blair. He had nine children, the eldest of whom (William, 7th Baronet) married Sir Walter Scott's first love, Williamina Belches Stuart. This union produced James David Forbes, the distinguished Professor of Natural Philosophy at Edinburgh.<sup>29</sup> With the passing of Sir William Forbes in 1806, and that of his great rival William Ramsay (of Mansfield, Ramsay & Co., later Mansfield, Bonars & Co.) one year later, the greatest days of Edinburgh private bankers were over. The

expansion of the public banks and the advent of the joint-stock banks hastened the decline, but Sir William's bank was still very profitable up until 1836, with the amount of business conducted at £16,000 almost equal to that of the Union Bank.<sup>30</sup> The company later merged with the Glasgow Union Bank which in turn became the Union Bank of Scotland in 1843; finally in 1955 the Union Bank became part of the Bank of Scotland.<sup>31</sup>

The final word on Sir William may be given by Sir Walter Scott who, in the 4th canto of *Marmion*, wrote:

If mortal charity dare claim  
The Almighty's attributed name,  
Inscribe above his mouldering clay,  
'The widow's shield, the orphan's stay'.

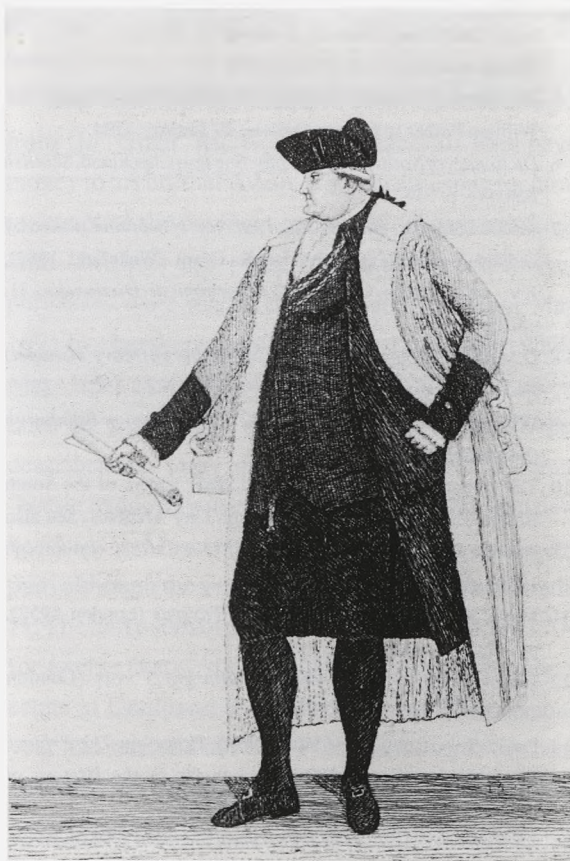


Fig. 4. Sir James Hunter Blair, Sir William's friend and business partner, by John Kay, 1785. (*Kay's Portraits*.)

## NOTES AND REFERENCES

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- 3 Forbes, *Memoirs*, p. 15.
- 4 S.G. Checkland, *Scottish Banking: A History, 1695-1973* (Glasgow and London 1975), p. 166.
- 5 Aberdeen University Library, Ogilvie-Forbes Papers, Sir William Forbes to George Ogilvie, 19 January 1794.
- 6 *Dictionary of National Biography*. See also Checkland, *Scottish Banking*, p. 334.
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- 23 Quoted in Grant, *Old and New Edinburgh*, II, p. 34 (no author given).
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