



The Man Who Enriched – and Robbed – the Tories

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House of Lords

Horace Farquhar, financier, courtier and politician, was a man without a moral compass. He combined ruthlessness and dishonesty with great charm. As a Liberal Unionist MP in the 1890s, his chief aim was to get a peerage, for which he paid handsomely. He exploited everyone who came his way to increase his wealth and boost his social position, gaining an earldom from Lloyd George, to whose notorious personal political fund he diverted substantial amounts from the Conservative Party, of which he was treasurer from 1911 to 1923, the first holder of that post. The Tories' money went into his own pocket as well. During these years, he also held senior positions at court, retaining under George V the trust of the royal family which he had won under Edward VII. By the time of his death in 1923, however, his wealth had disappeared, and he was found to be bankrupt. He was a man of many secrets. They have been probed and explored, drawing on such material relating to his scandalous career as has so far come to light.

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1

Horace Brand Farquhar (1844–1923), pronounced Farkwer, 1st and last Earl Farquhar, of St Marylebone, was one of the greatest rogues of his time, a man capable of almost any misdeed or sin short of murder (and it is hard to feel completely confident that he would have drawn the line even there).¹ He had three great loves: money, titles and royalty. After making himself a very rich man through his own considerable ability, a profitable late marriage (after homosexual adventures) and a fair amount of sharp practice in the City of London, he bought himself titles by means of lavish donations, first to the Liberal Unionists and then the Tories, in the course of establishing close friendships with Edward VII and George V, both of whom gave him senior posts at court and heaped further honours on him. He also boasted of possessing many foreign orders of the first class.

During his rise to prominence, he served briefly as a Liberal Unionist MP; in the years of his glory, he replenished the depleted coffers of the Conservative Party as its first formally appointed treasurer, a post which he filled with resourcefulness and skill after 1911. His successful career, and the connections he acquired in the highest places, protected his reputation, despite the publicity given to some of the very dubious business transactions in which he was frequently involved.

¹A bare outline of his life by Judy Slinn, which has little to say about his malpractices, can be found in *ODNB*, s.v. Farquhar, Horace Brand (1844–1923).

It was only in 1923, during the last months of his life, that damning evidence emerged publicly which destroyed his reputation in the exalted social circles where he had thrived. A great deal of money was found to be missing from Conservative Party funds. Farquhar had misappropriated it. What had until then been known only to a few became common knowledge: Horace Farquhar was a complete scoundrel.

Nevertheless, when he died shortly afterwards, various members of the royal family and leading figures in public life looked forward eagerly to receiving the large legacies that he had ostentatiously promised them. None was paid. A man who had once been a millionaire was found to be bankrupt.

That at any rate is what the disappointed royals and everyone else were led to believe. But three years later Lord Crawford, a former Tory chief whip and minister, recorded in his diary on 2 February 1926 that George V's private secretary, Lord Stamfordham, 'surprised me by saying that he had actually received the legacy left him by Horace Farquhar. I always thought that the old boy's bequests proved chimerical, in other words that the estate he so lavishly distributed was swallowed up by debts. Not so. If Stamfordham got his hundred guineas, the others presumably received their share.'²

Was Crawford right and the tales of dashed expectations, repeated in several published accounts where the disappointments of various princes and princesses are recorded, wrong? Where the crooked Farquhar is concerned, nothing is ever plain or straightforward. Perhaps he had never been as rich as all that anyway. Crawford was told that 'some of the fine works of art in his house were hired!', adding 'he was always a perfect snob'.³ What is not in doubt is that after his death his estate was formally assessed for probate at £400,000, but huge debts wiped out that sum. Could some additional property have been discovered later from which at least some legacies were paid?

The story of this extraordinary career in, and beyond, politics cannot be told in detail. Farquhar, who married in his fifties, left no children. No personal papers have come to light. (The odd letter occasionally turns up; one, written to him by George V and quoted below, was bought by my colleague, Lord Lingfield.) However, though mysteries remain, enough information is available in books of memoirs and published diaries of his contemporaries, and in later, well-researched biographies and scholarly studies, supplemented by a few hitherto unpublished documents, to piece together the main outlines of a largely forgotten, but fascinating, life.⁴ It is possible that further material may yet emerge in the Royal Archives or in the vast quantities of private papers which exist for this period and have not so far

² *The Crawford Papers: The Journals of David Lindsay Twenty-Seventh Earl of Crawford and Tenth Earl of Balcarres 1871–1940 during the Years 1892 to 1940*, ed. John Vincent (Manchester, 1984), 510.

³ *The Crawford Papers*, ed. Vincent, 502–3; diary, 25 Feb. 1925.

⁴ There is in some accounts an unsurprising tendency to depict him, not altogether accurately, in terms even more lurid than the known facts warrant. Examples include Hugo Vickers, *Elizabeth The Queen Mother* (2005), 29–31, 69–70, and Colin Simpson, *The Partnership: The Secret Association of Bernard Berenson and Joseph Duveen* (1987), 24–5, 165–7. The latter, a *Sunday Times* investigative journalist criticised for making exaggerated claims, asserts that Farquhar worked closely and profitably with Joseph Duveen, a client of his bank who was the most successful and least scrupulous art dealer of the time, enabling the latter to form dubious and lucrative connections with the royal court, and to buy up old masters cheaply from owners who Farquhar knew to be hard up. The sneak was well rewarded for his assistance. Despite a number of doubtful claims, there is a good deal of truth in many of the book's revelations. Farquhar was 'in the pay' of Duveen for years, according to an article in *Museum Management and Curatorship*, xi (1992), 341–2.

been fully examined, to correct or amplify what follows here. What is known whets the appetite for much, much more.

2

Horace Farquhar rose to riches and prominence from the lower reaches of the aristocracy into which the family had been introduced by his great-grandfather, Walter Farquhar.⁵ This son of a modest manse north of Aberdeen became the most popular and successful doctor of his day during a career crowned by his appointment as physician to the prince of Wales, later George IV. Every duchess in the land, it was said, had her pulse taken by Dr Walter Farquhar, who became a baronet in 1796.

Sir Walter's taste for wealth and social position passed down the generations. His eldest son, Sir Thomas, took the family into high finance as a partner in the Herries Farquhar Bank, in which numerous titled people put their money safely. Robert, the second son, discovered the kind of suspect financial ventures in which his grandson, Horace, was to excel. A long career in the East India Company, including stints as a colonial governor, brought him many opportunities to gather wealth in reprehensible, and sometimes illegal, ways. The slave trade was among them, involving him in bitter battles with its political opponents who harried him unceasingly during his years as a Tory MP for two rotten boroughs between 1825 and his death in 1830. Reckless investments in the 1820s helped ruin him; he died a bankrupt, leaving at least two illegitimate children as well as one legitimate heir.

Horace Farquhar bore an uncanny resemblance to this reprobate who brought a second baronetcy, with Mauritius as its territorial designation, into the family, styling himself Townsend-Farquhar (his grandson would drop the barrel). The intervening generation seems to have managed a little respectability. Sir (Walter) Minto, the father of Horace, left penniless early in his career in the diplomatic service, recouped his fortunes by marrying Erica Katherine, the only child, an illegitimate but acknowledged daughter, the heiress of the bachelor 7th Lord Reay, who left her substantial wealth accumulated from the slave trade and from the sale of his estates in remote Sutherland. Sir Minto found contentment as an unremarkable Tory MP for nine years from 1857 until his death in 1866, representing Hertford where Lord Salisbury had significant influence among, and perhaps over, its 530 electors.

A modest career of that kind had no appeal to Horace Farquhar. Born on 19 May 1844, he was the fifth of six sons, all of whom died childless (four never married), the baronetcy passing down the fraternal line before becoming extinct on the death of the fourth brother, Robert, a soldier turned artist and versifier (his publications included *A Shilling for My Thoughts*), in 1924. Two sisters completed the family; one of them married into the Westmoreland landed gentry and had several children. It seems unlikely that she would have been on close terms with her snobbish, selfish brother, Horace, as he rose to his earldom. A distant family connection was Lord Mountbatten's wife, Edwina, née Ashley.

⁵I am greatly indebted to Mr Simon Peers for most of the information about Farquhar's family background in this and the next four paragraphs. Now resident in Madagascar, Mr Peers has a particular interest in the grandfather, Sir Robert, whom Farquhar resembled so closely. A box of family papers has come to light but contains nothing relating to Horace Farquhar. I am extremely grateful to Mr Richard Davenport-Hines for enabling me to establish details of Farquhar's education.

Farquhar omitted all reference to his education from his entry in *Who's Who*. Older brothers went to Westminster and Haileybury; the last of the male line, his younger brother Gilbert (one of the bachelors who became a well-known actor), was sent to Eton. For some reason, there was to be no grand public school for Horace. The 1851 census shows that, at the age of seven years, he was living at 4 Douro Villas, Cheltenham, along with his brother, Robert. The two boys were in the care of a retired doctor, William Briggs; his daughter, Mary Jane Briggs, one of the first campaigners for women's suffrage, had recently established a small school next door at number 6, the forerunner of a very successful large preparatory school. At the time of the next census ten years later, the 17-year-old Farquhar was in Edlingham, a small Northumberland village, whose vicar, the Rev. Matthew Buckle, a former grammar school headmaster, supplemented his small stipend by taking on a few pupils. An education, so lacking in prestige, was clearly not fit to be advertised during his later life of grandeur.

His Scottish contemporary, Lord Huntly, recalled in his memoirs that at the outset of his career he was 'dark-haired and good-looking, with plenty of assurance and push'. Drawing on those qualities, he abandoned his first lowly, poorly paid job as a clerk in a government office and, in Huntly's words, 'wormed his way into the house of Sir Charles Forbes & Co., India merchants',⁶ almost certainly assisted by the extensive influence exerted in Scotland by his cousins prominent at the Herries Farquhar Bank. Established in 1767, the firm is still in business today. Through it, Farquhar began to accumulate serious wealth.

The key to his ascent, however, was his close and lasting friendship with the 6th Earl Fife, whose family he was later to betray. He persuaded Fife, the owner of 14 homes and a Liberal MP in 1874–9, to sell some of his vast estates of 250,000 acres in Scotland and invest the proceeds in the private banking house of Sir Samuel Scott, Bart & Co. which both men joined. On 31 December 1883, a cousin of Farquhar's and a close friend of both men, Edward Hamilton, one of Gladstone's private secretaries and later a senior treasury official, recorded in his diary that 'Horace Farquhar dined with me at Brooks' [Club]. He told me a good deal about the banking business (S Scott & Co) on which in company with Fife he has embarked.'⁷ In due course Farquhar became a partner and major shareholder, amassing a considerable fortune. In 1894, he played a leading role in the merger of Scott's with Parr's Bank, then the country's sixth largest, on whose board he sat for the next 21 years (it was eventually absorbed by the NatWest).

For his part, Fife had no cause to regret following his great friend's advice. His frequent guest, Sir Henry James (who became Lord James of Hereford), a Liberal – and later Liberal Unionist – minister and lawyer, was struck by the 'enormous income' Fife enjoyed. 'Under the guidance of Lord Farquhar he had by sale of land and very remunerative investments greatly increased his revenues.'⁸

By the 1890s, Farquhar had become the companion of royalty, thanks in large part to Fife, who became a duke in 1889 when he married the future Edward VII's eldest daughter, Princess Louise (she and her two sisters were known unkindly as 'the hags').⁹ The match was not universally applauded, but the bride's father had no misgivings. In her life of Edward

⁶Marquis of Huntly, *Milestones* (1926), 168.

⁷*The Diary of Sir Edward Walter Hamilton 1880–1885*, ed. W.R. Bahlman (2 vols, Oxford, 1972), ii, 535.

⁸Lord Askwith, *Lord James of Hereford* (1930), 265.

⁹Jane Ridley, *Bertie: A Life of Edward VII* (2012), 308.

VII, Professor Jane Ridley writes: 'that the 22-year-old Louise, a shy plain girl who had led a secluded life was being married off to a dissipated man eighteen years her senior seemed not to weigh upon the prince's mind'.¹⁰ Queen Victoria noted with approval that Fife was 'immensely rich';¹¹ she also seems to have approved of Farquhar, or so he claimed. Best man at the wedding in 1889, he was soon drawn into the then prince of Wales's circle of rich friends who helped finance his expensive life with no questions being asked about their probity. He was one of ten intimate friends who were given a special bust of the debauched, spendthrift monarch after his death.¹²

Alongside his expensive love of pomp and opulence, Edward VII also sought money from his friends and financial backers to assist philanthropic ventures designed to improve the social condition of his people, in which he was genuinely interested, as he proved by working hard as a member of a royal commission on the housing of the working classes in 1884. Some years later, he was persuaded of the importance of boosting the resources of voluntary hospitals in London and elsewhere at a time when demand for their services was increasing rapidly. An ambitious hospital fund was established under his patronage. Donations to it from pockets, large and small, throughout the country were secured by a fund-raising arm, the League of Mercy, operating under a royal charter granted in 1899. 'Within a decade, 20,000 officers and workers were collecting money in London and the Home Counties. Each of them secured twenty subscribers of one shilling or more. Tradesmen and domestic servants came under particular pressure'¹³ to contribute.

A galaxy of titled grandees adorned the League's central body and led its district organisations based on parliamentary constituencies, awarding the coveted medals of the Order of Mercy, instituted by the League, on a lavish scale to those who put money in its coffers. Edward VII took great pleasure in presenting the medals himself at receptions at Marlborough House. 'The decorations delighted, and animated, the recipients.'¹⁴ As other organisations (most notably the Primrose League) discovered, such trinkets had wide popularity in late Victorian England.

Farquhar, much more used to taking than giving, now played the part of benefactor and charitable campaigner for the first and last time in his life, conscious no doubt of the further approval he would win from his royal master and of the assistance that his blemished business reputation would derive from these unprecedented good deeds. His financial contributions would not have been paltry, particularly after he became joint president of the Order, along with Queen Victoria's son-in-law, the duke of Argyll, in 1903. He seems to have taken his duties seriously, their tedium diminished by the royal personages and great ladies who served alongside him on its central council. He gained great credit with them when he persuaded the widow of a Jewish financier to donate £10,000 annually. He encouraged the misleading impression that the Order of Mercy occupied a high place in the country's honours system. 'Has Order of Mercy', his entry in *Whitaker's Peerage 1906* proclaimed, as if it belonged by the side of the most eminent and historic decorations.

¹⁰Ridley, *Bertie*, 272.

¹¹James Pope-Hennessy, *Queen Mary 1867–1953* (1959), 181.

¹²James Lees-Milne, *The Enigmatic Edwardian: The Life of Reginald, 2nd Viscount Esher* (1986), 207.

¹³Frank Prochaska, *Royal Bounty: The Making of a Welfare Monarchy* (1995), 159.

¹⁴Prochaska, *Royal Bounty*, 143.

In 1895, at the age of 50 years, Farquhar married Emilie, the daughter of an old Northamptonshire landed family and the widow of the head of the Scott banking family, to whom he had apparently long been attached (her second son was named after him), though they waited for over 11 years after her first husband's death. The future Edward VII was the principal guest at their wedding, which was also attended, rather more surprisingly, by the aged former commander-in-chief of the army, Queen Victoria's cousin, the duke of Cambridge, along inevitably with Fife and much of the cream of the aristocracy. Farquhar had now established himself as 'a smart society man who knew everybody and whom everybody knew'.¹⁵

The good-looking Emilie, herself a partner in Scott's Bank, brought him yet further wealth. She also brought him a huge house at 7 Grosvenor Square in London where he was able to indulge his love of extravagant entertaining (as early as the 1880s he was praised by Hamilton for giving 'the best dinner in London').¹⁶ Much hospitality was also dispensed at White Lodge in Richmond Park (rented from George V), and at Castle Rising in Norfolk, famous for its medieval fortress and for returning two members to parliament with a handful of electors before 1832, where he leased a country house from the Howard family,¹⁷ to which Edward VII brought his last mistress, Mrs Keppel, from nearby Sandringham. Later, George V would come to shoot game in vast quantities (he was one of the best shots in the country) or ask Farquhar to help slaughter birds at Sandringham. The destruction of some 2,000 pheasants in a day was not uncommon.

On 18 December 1910, the king-emperor wrote to him from Buckingham Palace in a spidery, unregal hand: 'Glad you had 3 such good days shooting at Castle Rising last week. If you are there on the 28th I hope you will come and shoot with me at Sandringham', signing himself 'Yr. sincere friend George R.I.'¹⁸ Farquhar was one of the few people outside his family who were close to him. He brought the king little pieces of gossip that were doing the rounds, though they did not always have novelty value. In his letter the king stated: 'I had heard the story about Mr Asquith before' (it probably involved excessive drinking). Farquhar cultivated this dull, highly-respectable monarch with the same success he had achieved with his louche, improvident predecessor. He shared Edward VII's enormous appetite, which put paid to his slender youthful figure. On 10 January 1921, he was the lunch guest of the British ambassador in Paris, Lord Hardinge of Penhurst, who noted in his diary: 'In view of Horace's love of food, I gave the cook "carte blanche" to do anything he liked, and we had a Gargantuan feast in consequence.'¹⁹

¹⁵Leslie Ward, *Forty Years of 'Spy'* (1915), 113 n.

¹⁶*Diary of Edward Hamilton*, ed. Bahlman, ii, 412: 21 Mar. 1883.

¹⁷After his death, the Howards discovered the truth about their former tenant. 'When they repossessed the property they noticed that [their pictures] had been rehung, somewhat higher than before. It was not until several years later, when they were taken down for cleaning, that they were found to be modern copies': Simpson, *The Partnership*, 166.

¹⁸Letter in the possession of Lord Lingfield at Lingfield, Surrey, and quoted with his kind permission. In another letter, sent from Windsor Castle and dated 20 June 1905, which happened to come up at auction in 2014, similar sentiments of friendship and regard were expressed. Farquhar was unwell at the time. George, then prince of Wales, wrote: 'I am afraid that the last fortnight when you had so much to do over tired you. I can't tell you how we miss you here', signing himself 'Always your sincere friend George.'

¹⁹Cambridge University Library, Lord Hardinge of Penhurst MSS, CUL Add. MS 1.20. I am indebted to Professor T.G. Otte of the University of East Anglia for this reference.

The friend of royalty also seems to have kept other infinitely less savoury company in adult life. In the first serious history of homosexuality in Britain, *The Other Love*, published in 1970, H. Montgomery Hyde, wartime spymaster, Ulster Unionist MP and prolific author, wrote that 'one of the most remarkable homosexuals at the turn of the century was the first and last Lord Farquhar, whose rapid advancement in business and court circles is said to have been due to his skill in exploiting his physical charms'.²⁰ No details are given in this account which rests on 'private information'; no names of gay friends have ever emerged.

Could there have been a sexual element in his lifelong relationship with Fife? The anonymous author of *Uncensored Recollections*, published in 1924, recalled Farquhar 'then one of the handsomest and most charming men in London' (the same compliments appear in other publications of the period) as the '*fidus Achates* of the late Duke of Fife in their salad days' when they 'were living together near Berkeley Square'.²¹ Are there inferences to be drawn from this? (The male writer, generally accepted to have been a notorious Anglo-American member of Edward VII's circle and later convicted criminal, Julian Osgood Field, hated Fife with the kind of intensity associated with a jilted lover: 'He was essentially a coarse man, extraordinarily selfish and utterly contemptuous of the feelings of others'.)²² The two great friends were both well-known as companions among the Paris demi-monde (where Fife was remembered as 'le petit Ecosais roux qui a toujours la queue en l'air').²³ A taste for gay adventure seems not impossible. But the facts of Farquhar's love life, whatever they were, remain his best-kept secret.

No such complete secrecy was possible where his dubious money-making ventures were concerned. In 1889, for example, he joined the board of the British South Africa Company (BSAC) along with the ever-faithful Fife. The company was widely seen as a rather discreditable agent of British imperialism in the extensive territories over which it exercised political, as well economic, sway. Farquhar invited particular rebuke by retaining the chairmanship of an exploration company set up by the Rothschilds to secure mining concessions from the BSAC, despite the clear conflict of interests. In his history of the early years of the BSAC, John S. Galbraith noted that 'Farquhar's business ethics belied his public reputation, and his presence on the board did not enhance its moral tone'.²⁴ Those who knew of his financial transactions in Paris, or his speculations in land in Mexico, came to the same conclusion.

Nor did his business ethics improve with the years. In 1907, Lord Lincolnshire, a former lord chamberlain, was shocked to discover that Farquhar was heavily implicated in an obviously implausible Siberian gold-mining company, which he persuaded several senior courtiers, including the king's private secretary, to back. Its shares 'were rushed up to £16

²⁰H. Montgomery Hyde, *The Other Love: An Historical and Contemporary Survey of Homosexuality in Britain* (1970), 157.

²¹Anon, *Uncensored Recollections* (1924), 207.

²²Anon, *Uncensored Recollections*, 206. By contrast, Edward Hamilton, writing after a stroll with Fife in Richmond Park on 25 Apr. 1885, felt that 'there is something particularly attractive always about him': *Diary of Edward Hamilton*, ed. Bahlman, ii, 849. The current duke of Fife has made it clear that there is nothing relating to Farquhar in the Fife archives.

²³Ridley, *Bertie*, 272.

²⁴John S. Galbraith, *Crown and Charter: The Early Years of the British South Africa Company* (Berkeley, CA, 1974), 117.

... Horace Farquhar is said to have netted £70,000 ... [and] the papers are open-mouthed at this scandal'.²⁵ Nevertheless, he escaped serious embarrassment and censure.

Farquhar became notorious for buying shares when they were about to boom and selling them before they fell or started to arouse serious suspicion in the City. For years he profited greatly from heavy investments in the City Equitable Fire Insurance Company, run by a charming knave whom he closely resembled. By the time that the knave's audacious frauds came to light after the First World War, Farquhar had moved his money elsewhere. Some put his success down to brazenness and luck rather than talent. One lifelong acquaintance called him 'all bunkum and self-advertisement'.²⁶ He certainly attracted some harsh critics. Lord Lincolnshire described him as 'the most unpopular man in London'.²⁷

3

Farquhar took up politics, not out of conviction or even any particular interest in them, but to bring titles and honours closer to his grasp. Loosely attached to the Liberal Party in the early 1880s after rejecting the family conservatism (which led his brother Robert to boast in *Who's Who* of being 'an active supporter' of the party), he sided with those who split from Gladstone over Irish home rule in 1886 and formed the Liberal Unionist Party. He was one of its principal donors alongside men of stupendous wealth like Lord Rothschild, the duke of Westminster and, almost inevitably, his lifelong friend, the duke of Fife. Sir Henry James recorded that 'we had within our small party many very rich men who contributed to our funds very generously'.²⁸ By 1890 Farquhar thought he deserved a peerage, pressing his claims in a long series of letters, often very insinuating in their tone, to Lord Hartington, the Liberal Unionist leader. He made clear that his bounty was far from exhausted. 'I would of course give what was asked for the next Elections', he promised in a letter of 17 July 1890.²⁹ But after those elections had taken place in 1892, he had to content himself with a mere baronetcy which counted for little with him since he was the heir to one. Sir Horace Farquhar of Castle Rising (the Norfolk estate he rented, though he liked people to think he was its owner) hungered for more substantial rewards.

He poured money into London local elections, too, as president of the London Municipal Society formed in 1894 to support candidates of the right, known as Moderates, the label adopted by the Tories and their allies for London local elections. He represented them on the newly-formed London County Council from 1889 to 1901; it is not clear how hard he worked. His thoughts turned to the house of commons. On 16 September 1894, his friend Edward Hamilton wrote in his diary: 'Horace Farquhar has talked to me several times about his going into Parliament. He has been offered Marylebone.' The would-be candidate stressed that 'one of the chief considerations' was to strengthen the representation of the Liberal Unionists, but Hamilton sensed what lay at the back of it: 'I am sure that the

²⁵Kenneth Rose, *George V* (1983), 275; see also Kenneth Rose, *Kings, Queens & Courtiers: Intimate Portraits of the Royal House of Windsor from its Foundation to the Present Day* (1985), 102–3.

²⁶Quoted in Richard Davenport-Hines, *Edward VII: The Cosmopolitan King* (2016), 55.

²⁷Quoted in Davenport-Hines, *Edward VII*, 54.

²⁸Askwith, *James of Hereford*, 224.

²⁹Chatsworth House, Devonshire MSS, 2nd series, 340.2240: Farquhar to Hartington, 17 July 1890, quoted in T.A. Jenkins, 'The Funding of the Liberal Unionist Party and the Honours System', *EHR*, cv (1990), 924.

main consideration of all is the hope that actual Parliamentary service will qualify him for further elevation which is his great ambition. He will no doubt enhance his claims; but I expect he will tire of House of Commons life, before he has made much of a Parliamentary record.³⁰

Hamilton knew his man. Elected for Marylebone West with a majority of nearly 1,500 at the general election of July 1895, Farquhar swiftly renewed his application for a coronet, writing with characteristic immodesty to the duke of Devonshire, as Hartington had now become, a few months later on 22 September 1895:

May I first record what my services have been since 1892 – I never like mentioning *l.s.d* – but we all know very little politically can be done without it – I have collected since 91 for the Unionist cause £30,000 (£21,000 of that sum since the end of 1894) two-thirds of which I have given or guaranteed myself. The practical result has been the [creation of the] London Municipal Society, most of the victories at the LCC elections last March, and hence in a great measure the London Parliamentary ones in July ... certainly Marylebone East & West which have fallen entirely on me.

He pledged that after joining the Lords he would ‘always do the needful in E & W. Marylebone in the *future*’ and keep the London Municipal Society afloat.³¹

His hopes of abandoning the lower house for the upper were not realised quite as swiftly as he would have liked. He lined up his stepson, Sir Samuel Scott, to take over his seat, but he had to wait until 1898 before the Tory leader, Lord Salisbury, reluctantly agreed that he could have his coronet. In his biography of Salisbury, Andrew Roberts writes that, having rewarded other large donors, Salisbury was ‘against another large-scale contributor, Horace Farquhar, getting a peerage after only three years as a Liberal Unionist MP, but it went through, helped by the support of Devonshire and the Prince of Wales’.³² The new peer boasted that he had paid more than the ‘accepted tariff’³³ for his title.

He had made just one speech as an MP, an amazing performance lasting for no more than five minutes on 13 February 1896³⁴ in which he ignored the convention that maiden speakers should be uncontroversial and hit out at the many critics of the controversial British South Africa Company in the House, provoking a number of angry interventions. His successor was no bird of passage; Sir Samuel Scott bt, an honourable army officer, was to serve the 8,500 electors of Marylebone West for 20 years and represent a new single Marylebone seat created in 1918, until 1922.

Farquhar’s tongue, little used in the Commons, was not readily loosened in the Lords either. A member for 25 years, he made just six speeches, all of them short, on legislation

³⁰ *The Destruction of Lord Rosebery: From the Diary of Sir Edward Hamilton 1894–1895*, ed. David Brooks (1986), 169; 16 Sept. 1894.

³¹ Chatsworth House, Devonshire MSS, 2nd series, 340.2648: Farquhar to Devonshire, 22 Sept. 1895, quoted in Jenkins, ‘Funding of Liberal Unionist Party’, 924.

³² Andrew Roberts, *Salisbury: Victorian Titan* (1999), 673.

³³ Rose, *George V*, 275.

³⁴ Hansard, *Commons Debates*, 4th ser., xxxvii, cols 294–5: 13 Feb. 1896. The intense and protracted controversy surrounding the British South Africa Company was hardly surprising. It ‘cast the mantle of empire over a gigantic speculation in mineral futures. It gave to extensive and sometimes dubious stock-exchange operations a gilt of patriotism which lured the British investor’: Ronald Robinson and John Gallacher with Alice Denny, *Africa and the Victorians: The Official Mind of Imperialism* (1963), 250.

affecting the London County Council, a subject on which he remained an expert. There was no repetition of the ugly scenes he had provoked in the Commons. Lord Farquhar – a viscount in 1917 and an earl in 1922 – spoke with elegance and restraint.

4

By the start of the 20th century, Farquhar had fulfilled his three great ambitions. He was extremely rich, titled and the friend of kings. He moved happily between his three magnificent homes, his bank and the stock exchange, and the royal palaces of the realm. On his accession in 1901, Edward VII made him master of the household, responsible for the administration and good order of the palaces which had come to contribute to his happiness. He helped make the court much more efficient and grand, as the new king wished.³⁵ Some of the credit for Edwardian splendour, customarily given to another dubious figure, the bisexual Lord Esher, belonged to him. He worked alongside the other great officers of state, with whom he had a marked propensity to quarrel.

Matters came to a head in 1921, by which time Farquhar had come to occupy the ancient post of lord steward, a political appointment long regarded as a sinecure. He insisted that he had precedence over the lord chamberlain, and took to pushing the latter out of his way on ceremonial occasions to assert his rights.³⁶ The court as a whole was relieved when Farquhar left its service in 1922 on the resignation of the Lloyd George coalition for which he had performed occasional light duties in the Lords, such as moving adjournments of the House. In his later life, few people ever seem to have liked Farquhar, apart from the members of the royal family whom he courted so assiduously. It was probably only their presence at his numerous grand parties that mattered to him.

It must have been Farquhar's fame as a moneymaker, and perhaps his earlier first-hand experience of the seamy side of political finance, that led the Conservative Party to appoint him as its treasurer when that post was created in 1911 as a result of a major reform of the party's organisation which also brought the post of party chairman into existence. Farquhar was then aged 67 years (very old for such an important job) with associates, but no record of work, in the Tory fold, though he subsequently chaired the annual party conference in November 1912, the year in which the Liberal Unionists and the Conservatives merged to form the Conservative and Unionist Party (referred to everywhere until the 1920s as the Unionist Party). He always described himself as a Unionist, never as a Conservative.

He was by no means the unanimous choice for the new post of treasurer. As the party's chief whip, Lord Balcarras (the courtesy title by which the future Lord Crawford was then known), was at the centre of discussions about the appointment. According to Professor John Vincent, editor of *The Crawford Papers*, he wanted to appoint his predecessor as chief whip to the post, not Farquhar, 'a man of every possible sinister quality', in Vincent's words. He adds that a group connected with Bonar Law, who was shortly to replace Balfour as party leader, hustled Farquhar into the post by 'crude methods'.³⁷

³⁵For some insights into his role, see Paul H. Emden, *Behind the Throne* (1934), 289–90 (where he is praised for 'his great organising and business capacities'), and Sir Frederick Ponsonby, *Recollections of Three Reigns* (1951), 124.

³⁶Rose, *George V*, 277.

³⁷*The Crawford Papers*, ed. Vincent, 194.

Farquhar swiftly silenced his critics. A highly-successful fund-raising drive was launched. He got large capital donations 'thanks in large part to the *very* generous example set by Lord Rothschild', as the new party chairman, Arthur Steel-Maitland, reported to Balfour.³⁸ A great deal was collected from wealthy peers (with whom Farquhar seems to have had a winning way) and the City. In his authoritative history of the party in this period, Professor John Ramsden stated that by 1914 'the invested funds amounted to £671,000 – twice the sum in 1911 and worth four years' expenditure – and there was a special cash deposit of £120,000 for the coming election'³⁹ which the outbreak of war postponed. That was extremely reassuring since 'an election costs from £80,000 to £120,00', as Steel-Maitland informed Bonar Law in 1912. He went on to point out that there would be more money to come when the Tories returned to office, Farquhar's success having been obtained 'to a large extent, but not wholly, irrespective of future honours'.⁴⁰ In other words, some donations had been given as down payments on the titles that could be conferred when the Tories were back in office but leaving others entirely unmortgaged.

The Tories had not been so rich for years. They got richer still during the years of the Lloyd George coalition when honours were sold more profusely and brazenly than ever before. It was through Farquhar that negotiations for such sales were conducted on the Tory side, according to Lloyd George's biographer, John Grigg. 'Throughout his career', writes Grigg, 'there were people who knew that he was (to put it mildly) a financial adventurer, but refrained from exposing him because his connections were so exalted'.⁴¹ After his death, the silence was broken. On 27 August 1927, the *Daily Mail* alleged that Farquhar had 'often in his indiscreet old age ... recounted to his friends the names of individuals for whom he had procured titles, with the exact sums they paid'.⁴²

By 1922, Farquhar, now aged 78 years, had accumulated over one million pounds for political expenditure (or so he said; only he knew because no one else had access to the money which was held in his own personal bank accounts).⁴³ He would not allow any of it to be touched at the election of November 1922, which followed the month after the downfall of the Lloyd George coalition. He refused to sign a cheque for £20,000 in January 1923 to meet a number of election bills.⁴⁴ It was coalition money, not Tory funding, he said. Bonar Law concluded that there was good reason to believe that 'he has handed sums – perhaps large sums – to L.G. for his party, while acting as our Treasurer'.⁴⁵ Lord Beaverbrook, a close friend of Bonar Law who drew on some important private papers for his book, *The*

³⁸Quoted in John Ramsden, *A History of the Conservative Party: The Age of Balfour and Baldwin 1902–1940* (1978), 69. Ramsden wrote his account of Conservative Party finances from surviving personal papers of the period. There is no relevant material in the Conservative Party Archive at the Bodleian Library, Oxford.

³⁹Ramsden, *Age of Balfour and Baldwin*, 69.

⁴⁰Quoted in Robert Blake, *The Unknown Prime Minister: The Life and Times of Andrew Bonar Law 1858–1923* (1955), 100.

⁴¹John Grigg, *Lloyd George: War Leader 1916–1918* (2002), 145.

⁴²Quoted in G.R. Searle, *Corruption in British Politics 1895–1930* (Oxford, 1987), 403.

⁴³Ramsden, *Age of Balfour and Baldwin*, 179.

⁴⁴Blake, *Unknown Prime Minister*, 496. A Tory minister, Robert Sanders, noted in his diary on 28 Jan. 1923 that 'Farquhar stopped our drawing on our party fund during the election ... [but] luckily [Sir Malcolm] Fraser [the party's chief agent] had collected and banked a considerable sum in his own name': *Real Old Tory Politics: The Political Diaries of Sir Robert Sanders, Lord Bayford 1910–33*, ed. John Ramsden (1984), 199. See also Parliamentary Archives [hereafter cited as PA], Bonar Law papers, BL 108/4/1: Sir George Younger to Bonar Law, 15 Jan. 1923.

⁴⁵Blake, *Unknown Prime Minister*, 497.

Decline & Fall of Lloyd George, had no doubt that ‘large sums of Tory money contributed by their supporters had been diverted by Lord Farquhar to Lloyd George’s Fund’.⁴⁶ Sir John Ellerman, reputed to be the richest man in Britain, was outraged to discover that a substantial sum he had given to Farquhar for Tory funds had ended up in the hands of Lloyd George.⁴⁷ The Welsh wizard, who had promoted him to viscount in 1917, rewarded him by making him an earl in his resignation honours. There was perhaps a natural affinity between these two devious men. Farquhar stood by the Lloyd George coalition while others deserted it in its latter days. On 22 January 1922, a reception held at his Grosvenor Square mansion was described as ‘a gay Coalition gathering’⁴⁸ by one of the MPs who attended it.

Farquhar’s attempts to explain what had happened to the disputed money after the 1922 election became more and more muddled. On 22 January 1923, Bonar Law asked Farquhar to send him ‘the promised statement’ on the party’s financial position ‘at once’.⁴⁹ The indulgent Tory leader was inclined to put Farquhar’s bizarre behaviour down to senility. ‘He is so “gaga” that one does not know what to make of him’, Bonar Law wrote on 24 January 1923 after two meetings with ‘poor old Farquhar’.⁵⁰ Could it have been an act to disarm his accusers? Maurice Hankey, the cabinet secretary, found him perfectly lucid when they talked at Buckingham Palace in October 1922.⁵¹

In Tory circles, the suspicions increased. It emerged that Lord Astor, father-in-law of Nancy Astor, who had been created a peer in 1916 and made a viscount in 1917 (two years before his death), had given him £200,000, ‘to do exactly what he liked with’, as the former Conservative chief whip, Lord Edmund Talbot, now Viscount Fitzalan, reported to Bonar Law in the course of a long letter from Cannes.⁵² Farquhar claimed that he had donated £40,000 from Astor’s generous gift to a charity favoured by the monarch, and divided the rest between Lloyd George and Conservative Party funds, adding that he had personally handed a cheque for £80,000 to Fitzalan, but the latter was clear that ‘no money was handed to me’. Where had it gone? No sense could be got out of him. Fitzalan told Bonar Law that ‘I tried to speak to him seriously, but he would not listen and was quite hopeless.’ The exasperated Fitzalan concluded: ‘He certainly cannot be relied upon’ – which would have been a considerable understatement at any stage of his career. Remarkably, however, nearly another two months passed before Bonar Law finally sacked him as Conservative Party treasurer.⁵³

According to Beaverbrook, Farquhar refused to release any money from his personal bank accounts where Tory funds had been lodged because nothing remained in them. ‘The

⁴⁶ Lord Beaverbrook, *The Decline & Fall of Lloyd George* (1963), 127.

⁴⁷ PA, Bonar Law papers, BL/108/6/6: Viscount Younger to Bonar Law, 12 Mar. 1923.

⁴⁸ *Parliament and Politics in the Age of Asquith and Lloyd George: The Diaries of Cecil Harmsworth MP, 1909–22*, ed. Andrew Thorpe and Richard Toye (Camden, 5th ser., 1, 2016), 333.

⁴⁹ PA, Bonar Law papers, BL/108/9/31: Bonar Law to Farquhar (copy), 22 Jan. 1923.

⁵⁰ PA, Bonar Law papers, BL/108/9/34: Bonar Law to Viscount Fitzalan, 24 Jan. 1923, quoted in Blake, *Unknown Prime Minister*, 497.

⁵¹ Stephen Roskill, *Hankey: Man of Secrets* (3 vols, 1970–4), ii, 300.

⁵² PA, Bonar Law papers BL/108/4/8: Viscount Fitzalan to Bonar Law [?26] Jan. 1923, quoted in Blake, *Unknown Prime Minister*, 497.

⁵³ PA, Bonar Law papers, BL/108/9/55: Bonar Law to Farquhar, 15 Mar. 1923.

cupboard was bare.’⁵⁴ Diversion to the Lloyd George Fund was part of the explanation, but there still remained other large sums which had disappeared. In his authoritative study of political corruption in this period, Professor G.R. Searle concluded that ‘in all probability, to quote Beaverbrook’s coarse words, “Horace had spent the lot”’.⁵⁵ In the judgment of the great Conservative historian, (Lord) Robert Blake, Farquhar had been ‘paying sums intended for the Conservative party into his own account and generally behaving with total irresponsibility’.⁵⁶ Yet this was the man at whose enormous house in Grosvenor Square, during a grand ball three years earlier, the future George VI had met Lady Elizabeth Bowes-Lyon for the first time since childhood.⁵⁷ The royal family stood by him to the last.

It was not only the Tories who were robbed. A year after his death on 30 August 1923, it emerged that he had taken £80,000 from the trust set up by his greatest friend and constant ally, the duke of Fife, to provide for his wife, the plain Princess Louise, and their children after his death in 1912. She was described as being ‘open-mouthed’⁵⁸ at this appalling betrayal of a family to whom he owed so much. Several old masters had to be sold to replenish the trust.

What had he done with all the money? There is no satisfactory answer. Kenneth Rose, who developed a fascination with Farquhar when researching his life of George V, states: ‘Rumour had it that Farquhar, always a patron of the stage, had invested recklessly in the theatres of London and Paris at a time of depressed conditions.’⁵⁹ But this could not account for the millions in today’s values that the rogue disposed of. The unsavoury aspects of his personal and business lives make blackmail highly plausible.

Rose and others have dwelt enjoyably on the extravagant legacies of which the royals and high-ranking personages were deprived when it emerged that Farquhar was an undisclosed bankrupt at the time of his death. This dissipation of vast sums at the end of his life is the greatest mystery that the scoundrel took to the grave. He was buried in an obscure corner of the London Road cemetery in Bromley, the kind of place he would have despised in life, where his gravestone is today forlorn and decayed. It seems a fitting symbol of his downfall and disgrace, which his devoted wife (whose property included a modest house outside Bromley) was spared; she had died a year earlier.

⁵⁴ Beaverbrook, *Decline & Fall of Lloyd George*, 203.

⁵⁵ Searle, *Corruption in British Politics*, 389.

⁵⁶ Robert Blake, *The Conservative Party from Peel to Thatcher* (1985), 230.

⁵⁷ Vickers, *Elizabeth The Queen Mother*, 30–1.

⁵⁸ Rose, *George V*, 279.

⁵⁹ Rose, *George V*, 279.