

after three false starts the abbey was bought by Arthur Guinness, Lord Ardilaun, in 1899.<sup>18</sup>

The financial world, rife with rumours about the company's exposure in Ireland, repeatedly called for more precise information, particularly in 1890 when almost £77,500 was written off the value of property. The directors steadfastly refused, reassuring customers quite truthfully that investment in Ireland yielded higher returns than mortgages elsewhere in the United Kingdom. This explanation did not convince commentators in the press, who regularly warned of the peril of substantial losses.<sup>19</sup>

#### AGRICULTURAL CRISIS AT HOME

Although Irish loans gave the directors greatest cause for concern, there were similar problems closer to home. During 1886 Standard Life called in their loan of £55,000 to the Earl of Glasgow, precipitating the sale of his estates and his four grand homes on which he had lavished money.<sup>20</sup> The following year Skibo Castle, which had recently been rebuilt, and its surrounding estate in Sutherland were repossessed from Ewan Charles Sutherland, a West Indian merchant, whose speculation in Highland Railway stock had contributed to his failure.<sup>21</sup> It was ten years before the sale of Skibo to Andrew Carnegie, the Scottish-born American magnate, was concluded for £85,000.<sup>22</sup> From then on, where there was any doubt about an advance against a heritable security, it was revoked when due for renewal. The Earl of Denbigh was asked to repay £57,000 in 1888 because it was feared

that the 'diminution of rents since 1881' would make it impossible for him to maintain interest payments. As a result his Leicestershire and Warwickshire estates were put on the market without attracting buyers and he was obliged to give additional security.<sup>23</sup> In several cases, with the bulk of their rents committed to interest payments, impoverished borrowers were dependent for their living expenses on whatever Standard Life would let them have.<sup>24</sup> Some landowners, alarmed by this tough attitude, found other means of finance and repaid their advances. One such was the Earl of Galloway who switched his borrowing to the less exacting Scottish Provident.<sup>25</sup>

Skibo Castle in Sutherland, which was repossessed by Standard Life in 1887 and managed by the company for ten years. It was eventually sold to the American steel magnate, Andrew Carnegie, who greatly enlarged it.

