

# **SIR EDGAR SPEYER (1862 – 1932) THE UNDERGROUND KING**

**by Professor Tony Lentin, author of the book**

**“Banker, Traitor, Scapegoat, Spy?”**

**The Troublesome Case of Sir Edgar Speyer”**

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## **A report of the LURS meeting at All Souls Club House on Tuesday 8 July 2014**

“Sir Edgar who?” you might ask. Not many people have heard of Sir Edgar Speyer. He is absent from the LT Museum, and from Bownes, Green & Mullins’ book *Underground* that marked the 150 anniversary. Why should this be so when without him there would be no London Underground that we know today? In his time he was known as ‘The Underground King’.

Of course there were the early deep-level electric tube railways, the City & South London opening in 1890 and the Waterloo & City Line in 1898. But it was not until the arrival of Charles Tyson Yerkes that widespread construction got under way. He had established the Chicago elevated railway, the loop, and its tramways. Having made his fortune and also acquired an unfavourable reputation, he moved to London and started again. Between 1900 and 1902 he bought the Charing Cross, Euston & Hampstead Railway (part of the future Northern Line), bought the steam operated Metropolitan District Railway (including rights to the Brompton & Piccadilly Circus Railway and the Great Northern & Strand Railway, together the future Piccadilly Line), founded the Metropolitan District Electric Traction Company, and bought the incomplete works of the Baker Street & Waterloo Railway (the future Bakerloo Line).

More funds were required to integrate these lines into a functioning system, so in 1902 the Underground Electric Railways Company of London (UERL) was founded with £5 million capital provided by merchant banks Speyer Bros. of London, Speyer & Co of New York, and the Old Colony Trust of Boston. In the 18th century the Speyer family were said to be wealthier than the Rothschilds. In the 19th century, they made their fortune in the American railway boom. On the death of Edgar’s father there were three separate family banks in New York, London and Frankfurt with Edgar running the London operations. Edgar had arrived in England at the age of 23, loved it and had taken British Nationality. He was inspired by Yerkes’ dream of providing fast, modern, comfortable and economically priced transport to all Londoners and assisted in raising £18 million for the project, principally from investors in America but also from Britain and the Netherlands.

Lots Road power station, claimed at the time as the largest ever, was built in Chelsea from 1902 to power the whole system then envisaged and became operational with the electrification of the Metropolitan District Railway from 1905, the year that the UERL chairman, Yerkes, died. Speyer took his position and in 1906 was awarded a Baronetcy by Prime Minister Asquith for his part in funding the Liberal Party landslide victory of that year. Within five years from start, London had three significant new tube lines. Speyer knew the world of finance, but managed to inspire a team of like-minded people to complete and develop the UERL project. People such as Leslie Green, the Company Architect from 1903 to 1909, who produced the distinctive and standardised red-tiled station buildings. Sir George Gibb became Managing Director and Deputy Chairman from 1906 to 1910. Albert Stanley became General Director in 1907, Managing Director after Gibb, and was knighted as Lord Ashfield in 1914. Frank Pick was in charge of UERL publicity from 1907 and became Commercial Manager from 1912. We saw how the system publicity had developed over that time to include the well recognised red disk symbol with blue bar from 1912 and the common line name of Underground. Attractive posters encouraged further travel.

All this was achieved through a dynamic entrepreneur who could organise and make things happen. There was no funding available from the Government or London County Council. Investors anticipated great profits, but passenger numbers were half the early estimates. Competition from bus and tram companies was fierce, whilst safety regulations had proved costly and onerous. There was a threat of bankruptcy from holders of UERL 1908 Profit Sharing Notes in the absence of promised returns. Speyer had to dig into his own bank funds to give them something, and restructured the debt to defer payments until 1933 and 1948.

In 1909 Speyer was appointed a member of the Privy Council. He saw that the General Omnibus Company was returning 18% to shareholders, so it was acquired by the UERL in 1910, along with

some suburban tram companies in 1911, to divert their profits into the Combine. And in 1912 the Daily Mirror dubbed Sir Edgar Speyer the "King of the Underground".

Speyer's wife **Leonora** was a violin soloist at the London Promenade Concerts which had been founded in 1895. The first manager of the Proms became bankrupt in the first year of the UERL, and but for Speyer's support it looked like ending. So he became the saviour of the Proms and was a patron of music and musicians from 1902 until 1915. He was a great friend of Sir Henry Wood, conductor of the Proms, Sir Edward Elgar, and also Richard Strauss who dedicated his opera Salome to Speyer. The young Australian pianist and composer Percy Grainger also received his support.

In another sphere, Speyer was Honorary Treasurer of the British Antarctic Expedition which received no Government financial support. Speyer organised fund-raising for Scott's expeditions of 1901-04 and 1910-12, and later for the explorers' dependants, for monuments to Scott, and for the establishment of the Scott Polar Research Institute at Cambridge University. Scott, in appreciation, named a peak in Antarctica "Mount Speyer". A farewell letter to Sir Edgar Speyer from Captain Scott dated 16 March 1912 was found on Scott's body. This letter was auctioned at Bonhams in 2012 for £163,000.

So Speyer was a well-known figure in London society. His portrait by William Orpen was exhibited at the Royal Academy Summer Exhibition in 1914. His major charitable donations included the King Edward VII hospital, and the Poplar Hospital where he made weekly visits and supported families in need. He was behind the establishment of the Whitechapel Art Gallery to allow local people to appreciate art, just as he had hoped that extending the Northern Line to Golders Green would allow Londoners to visit the countryside.

In the lead-up to the First World War, Edgar was a strong supporter of the British position, but his brother James in New York was a strong supporter of the German position. James had founded the Theodore Roosevelt school of American History at the University of Berlin, and the Kaiser Wilhelm School of German history at the University of Columbia, and also the American Institute in Berlin. When the German fleet made a ceremonial visit to New York just before the War, James personally welcomed them and entertained them at his country estate on the Hudson. On the outbreak of War, James continued to trade with the enemy of the British, as he was entitled to do whilst the USA were not involved. He was also a great friend to Count Bernstorff, the German Ambassador to the USA, and headed the Summer 1914 welcome party for his family's return from holiday.

Of course Edgar had a German family background through his parents, it was his first language at home, his brother James maintained the connection, and his brother-in-law ran the Frankfurt family bank. Edgar had also supported the German Hospital and Orphanage in London before the War, remembering that there were 60,000 German residents in Britain at that time. He was on the Committee to celebrate the Kaiser's wedding anniversary, and the 25th anniversary of accession. An active member of the Anglo-German Friendship Society, before the War he spoke of "two kindred nations" that should never go to war with each other.

Three British cruisers were torpedoed by a U-boat in the North Sea in September 1914 with the loss of 1,500 sailors. Then the German fleet bombarded Yarmouth, Scarborough and Whitby in late 1914. The first zeppelin raids on England in January 1915 dropped bombs along the coastal towns from Yarmouth to King's Lynn. Speyer had a country home near Cromer and was rumoured to be signalling to German U-boats from there, revealing secrets learnt when a dinner-guest with Prime Minister Asquith. Some Conservative MPs were hostile to Speyer, backed by the Press including Lord Northcliffe, owner of the Times and Daily Mail, Lord Beaverbrook, owner of the Daily Express, and by the editors of the Morning Post and the National Review. They all supported the removal of German influence within the UK, starting with Sir Edgar Speyer.

The sinking of the Lusitania in May 1915 provoked anti-German riots. Speyer's London house was picketed, and he was required to resign his positions with the UERL just when he could see success approaching. He also had to resign his hospital positions, and was forced to remove his three young daughters from their school. The Anti-German League (or Union), founded in May 1915, sought a High Court declaration that Speyer's membership of the Privy Council was unlawful.

A letter from Prime Minister Asquith to Sir Edgar Speyer dated 22 May 1915 was published in The Times: "I have known you long, and well enough to estimate at their true value these baseless and

malignant imputations upon your loyalty to the British Crown". But Edgar, Leonora and their three young daughters left for America on 26 May, and were not to return except for Edgar who, in 1921, attended an 11 day hearing under Mr Justice Salter, Chairman of the Certificate of Naturalisation (Revocation) Committee and author of its Report in the Case of Sir Edgar Speyer. It found that he had shown himself by act and speech to be disaffected and disloyal to His Majesty. It also found that, during a war in which His Majesty was engaged, he unlawfully communicated with subjects of an enemy State and associated with business which was to his knowledge carried on in such manner as to assist the enemy in such war. Therefore the continuance of Sir Edgar Speyer's certificate [of naturalisation] was not conducive to the public good. Edgar's British citizenship was revoked in December 1921 together with that of his wife Leonora and their three daughters.

When fleeing England he was refused permission by the Passport Office to take his family to Norway, Spain or Italy but was directed to the USA where he knew no-one, having fallen out with his brother over his views on the War. Nevertheless the two were linked in the public mind. He was shadowed by secret service agents and reports were made to the Authorities. Having not learnt from his experience at Cromer, he rented a home by the sea in Maine and was suspected of signalling to German submarines from the shore. He also teamed up with the Conductor of the Boston Symphony Orchestra who was a known German supporter, which did not help at his subsequent trial.

Even almost a century later there seems to be great reluctance to recognise Sir Edgar's contribution to British life before the War, except that in October of this year the Scott Polar Research Institute at Cambridge University is to unveil a plaque in recognition of his significant contribution to their work. The Proms still refuse to recognise his contribution even now. He was removed in 1914 on the instigation of William Boosey, who wrote to the Times demanding the removal from any influence over Britain's musical life of Germans, their music, "purchased honours", being so untrustworthy and unreliable, it was inconceivable that the Proms could continue under Speyer's direction. The letter was headed "Highly placed spies"! The BBC Proms' attitude remains unchanged. The London Underground and LT Museum also seem to ignore his achievements, although the rather dubious character of Yerkes is remembered despite his short involvement. Our speaker hoped that members with influence at the LT Museum might help in obtaining recognition for his achievements there.

**John Hawkins**