

# Rothschild and Freshfields founders linked to slavery

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Two of the biggest names in the [City of London](#) had previously undisclosed links to slavery in the British colonies, documents seen by the Financial Times have revealed.

Nathan Mayer [Rothschild](#), the banking family's 19th-century patriarch, and James William Freshfield, founder of [Freshfields](#), the top City law firm, benefited financially from slavery, records from the [National Archives show](#), even though both have often been portrayed as opponents of slavery.

Far from being a matter of distant history, slavery remains a highly contentious issue in the US, where Rothschild and Freshfields are both active.

Companies alleged to have links to past slave injustices have come under pressure to make restitution.

JPMorgan, the investment bank, set up a \$5m scholarship fund for black students studying in Louisiana after apologising in 2005 for the company's historic links to slavery.

The archival documents have already prompted one of the banks named in the records to take action in the US.

When the FT approached Royal Bank of Scotland with information about its predecessor's links with slavery, the bank researched the claim, updated its own archives and amended the disclosures of past slave connections that it had previously lodged with the Chicago authorities.

But it is the disclosures about Mr Rothschild and Mr Freshfield that are likely to prompt the biggest stir.

In the case of Mr Rothschild, the documents reveal for the first time that he made personal gains by using slaves as collateral in banking dealings with a slave owner.

This will surprise those familiar with his role in organising the loan that funded the UK government's bail-out of British slave owners when colonial slavery was abolished in the 1830s. It was the biggest bail-out of an industry as a percentage of annual government expenditure – dwarfing last year's rescue of the banking sector.

The chief archivist of the Rothschild family papers, Melanie Aspey, reacted with disbelief when first told of the contents of the records, saying she had never seen such links before.

Niall Ferguson, Laurence A. Tisch professor of history at Harvard and author of *The World's Banker: A History of the House of Rothschild*, said the documents showed "how pervasive slavery was in the structure of British wealth in 1830".

In Mr Freshfield's case, the records reveal that he and his sons had several slave-owner clients, mostly based in the Caribbean. The lawyers acted as trustees of the owners' estates and in one case tried to claim unpaid legal fees for the firm through the government scheme set up to compensate owners after abolition.

[Nick Draper](#), a University College London academic who examined the documents, which will now form the basis of a comprehensive British slavery database at UCL, said the records would hopefully promote a better understanding of the significance of slavery in Britain.

"We need to fill the gaps between those who deny slavery's role and those who believe Britain was built entirely on the blood of slaves," he said.

Both Rothschild, the bank, and Freshfields Bruckhaus Deringer were quick to point to their predecessors' anti-slavery credentials.

Rothschild said Nathan Mayer Rothschild had been a prominent civil liberties campaigner with many like-minded associates and "against this background, these allegations appear inconsistent and misrepresent the ethos of the man and his business".

Freshfields said James William Freshfield was an active member of the Church Missionary Society, "which was committed to ... the abolition of the slave trade".

## Apologies and acknowledgements

Several institutions have apologised for, or acknowledged, their links to slavery including:

- In March 2002, Deadria C. Farmer-Paellmann, a lawyer and activist, launched an unsuccessful legal action against Aetna, a healthcare benefits company, and others for unjust enrichment through slavery. Legislation in California and Illinois prompted several companies to research their past and some to apologise and make atonement gestures.
- In mid-2000 Aetna, prompted by Ms Farmer-Paellmann, was one of the first to apologise for insurance policies written on slaves 140 years earlier.
- In 2002, New York Life, the insurer, donated documents about the insurance it sold to slave owners in the 1840s to a New York library. It also backed educational efforts.
- In 2005 JPMorgan, the investment bank, apologised that two of its predecessors in Louisiana - Citizens Bank and Canal Bank - had mortgaged slaves. The bank made its research public and set up a \$5m scholarship fund for African-American pupils.
- Lehman Brothers apologised in 2005 for its predecessors' links to slavery, while Bank of America said it regretted any actions its predecessors might have taken to support or tolerate slavery.

Wachovia Bank, since acquired by Wells Fargo, also apologised for its predecessors having owned and profited from slaves. It set up a programme offering \$1bn in loans for black car

dealerships.

● In October 2001 students at Yale University pointed out its past links with slavery. The university noted it had already founded the Gilder-Lehrman centre for the study of slavery.

Brown University has set up a commission to look into links with slavery and how it should make amends.

● In 2006 Tony Blair, prime minister, expressed “deep sorrow” for the UK’s role in the slave trade.

● Last week the US Senate unanimously passed a resolution apologising for slavery and segregation.

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