





**Dipping into the books on a shelf in an antiquarian bookshop reminds us that human beings have changed little over time. There is an endless supply of fraudsters and people who are only too willing to delude themselves.**

In the 1630s, sober Dutch burghers fell prey to tulip mania, paying huge sums for rare bulbs from Turkey that produced the coveted striped blooms. Less than a century later, the English and the Dutch again were deceived by the promoters of a scheme to trade Britain's national debt for "investments" in South America. In France, John Law wrought similar magic with the Mississippi Company. But like Bernard Madoff's Ponzi scam victims, in the end the speculators found themselves holding worthless paper when the bubble burst, as all bubbles do.

Their hopes and dreams are preserved in old books, caught in words and pictures that portray the uncertainties of their age. A crowd of allegories speaks of ambiguity, precariousness, duplicity, blurred edges between hope and despair, fact and fiction, reason and folly.

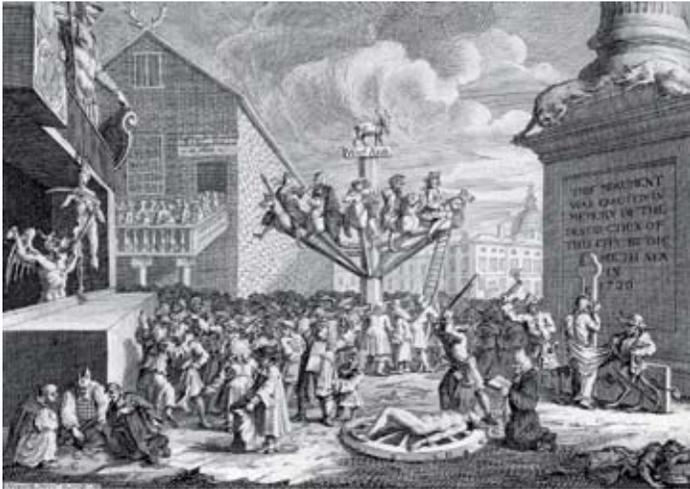
The creative power and fecundity of these early allegories challenged the English philosopher John Locke's view that figurative speech is misleading in its "inconstant" use of terms that "insinuate wrong ideas." To many of his contemporaries – and many who came after him – the dynamics of credit and trust defied rational arguments. Reliance and confidence lent themselves less to logic than to allegory.

No matter how many sophistications and financial, social and discursive tools we have developed over the past couple of centuries, these metaphors still offer a way of making sense of complexity. They also shape how we think of and deal with the thrill, fear, elation, disappointment, and unquenched need to trust others.

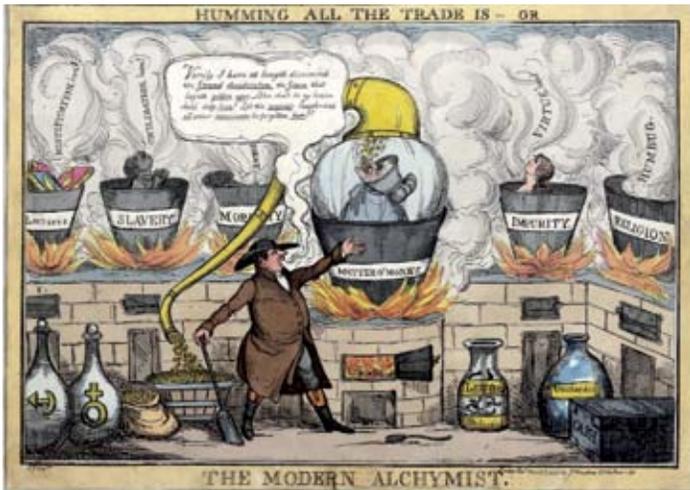
Long before the conscious creation of allegories to represent credit, a bond had formed between alchemy and wealth. If wealth depended on metal stock, and if alchemy could increase the amount of precious metal, then transmutation would be the answer for a wanting purse, and even for a stagnant nation. As early as 1317, the title of a papal decree against alchemists, *De Crimine Falsi* (crimes of falsehood), spells out the already solid connection between alchemy and money forgery. Pope John XXII's indictment of those who purported to perform "sophistic transmutation" of metals mirrors the fraudulent world in which riches were infinitely available, a world vividly evoked by Chaucer and Dante. ↗

**Papiers Monoies [France, early 19th century]**

This fine hand-colored print depicts paper banknotes issued as currency in France from 1790 to 1796 and essentially not worth the paper on which they were printed. Though supposedly underwritten by property confiscated from the Roman Catholic Church, they were issued pell-mell around the country and easy to forge. Here, they lie scattered, as though thrown down on a playing table. The viewer's eye is drawn to the bright red pips of a single playing card ominously half-appearing in a heap of equally hazardous gambling relics.



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**1. South Sea Scheme [London, c. 1721]**

William Hogarth's 1721 print offers an English take on the South Sea Bubble. In this busy London street scene, the witty goings-on are partially explained by an accompanying verse text. On the right-hand side is the bottom of the Monument, a famous London landmark, with the inscription: "This monument was erected in memory of the destruction of this city by the South Sea in 1720." Caricatures of chance permeate the image and in the center there is a fairground ride, worked by South Sea directors. The riders, from varying ranks of society, sit astride horses on a carousel, spinning through the air with a mixture of enjoyment and fear.

**2. The Modern Alchemist [London, 1827]**

William Allen, a wealthy Quaker philanthropist, anti-slavery campaigner and pharmacy amateur – still seen as being closely akin to alchemy – is the target of this print. It shows him distilling gold from the goose that laid the golden egg – the still is labeled "Matter o'Money." Other stills bearing the slogans "Slavery," "Virtue" and "Religion" bubble merrily. Allen went on to become the first president of the Royal Pharmaceutical Society and helped establish Allen & Hanburys, which today is part of GlaxoSmithKline.

**3. Genius of Bazaar [London, May 29 1816]**

This Regency print satirizes the appearance of "shopping centers" in Soho in central London, seen as bringing a whiff of sulphur to the area. The Genius of Bazaar is a demonic figure, brandishing a staff crowned with a jester's head and a plan for turning St Paul's Cathedral into a bazaar, as he leaps from the minarets of Turkey to the spires of London. Stuffed in his sash is a list of sites for future bazaars that could shake the foundations of society. They include the Houses of Parliament and Carlton House, residence of the Prince Regent. Despite the figure's demonic aspect, the bazaar was a charitable enterprise: widows and orphans of army officers could rent counter space to sell homemade items.

Punishable by death in England since 1403, the “multiplication of metals” persisted underground in its literal, cheap form of forgery and coin clipping, until Scotsman John Law, the arch-magus of finance, substituted a new alchemy: the ability to make money out of paper.

He had discovered, Law wrote in 1705, the philosopher’s stone. The French monarchy secured his services, financial alchemy at last sitting next to crowned dignity. This public triumph and its ominous consequences were to be immortalized in Goethe’s *Faust*. Called upon to heal the woes of the Emperor’s ruinous finances, Faust and Mephistopheles introduce the monarch to the wonders of promissory notes, and shift the foundation of the empire from the tangible weight of gold to the immateriality of a promise. Enter trust and credit.

Enter, too, the English novelist Daniel Defoe’s “coy lass” Lady Credit, “money’s younger sister.” She is desired and capricious, prodigal of favors in good times, prone to hysteria when things go wrong, scornful of care and attracted by indifference.

It is not always easy to understand whether Defoe’s Lady embodies private or national credit. This duality allows a public issue to be read in the same terms as a private one, with the advantage of incorporating elements of irrationality and morality that may otherwise be perceived as alien to the machineries of an impersonal state.

The many variations Defoe invents for Lady Credit are surrounded by a multitude of other metaphors. Anxious to allay fears that public financial trust would be affected by turbulent changes in government, he evokes credit’s power as something not wholly definable but effective, like the spirit of life – a phenomenon governed by nature. Credit is “the quickening *something*, call it what you will, that gives life to trade, gives being to the branches, and moisture to the root.” It “is the oil of the wheel, the marrow in the bones, the blood in the veins, and the spirits in the heart of all the *negoce*.”

Like a vital organ, trust is a delicate something. It can be abused. It can be willfully turned into a collective insubstantial mirage. Enter chimera, the fire-breathing monster that is the embodiment of deception. The “French way of paying national debts” is a “*phantasme*,” Defoe warns, looking with awe to Law’s growing schemes based exclusively on promises of unconfirmed security. His prophecy soon came true – and he guessed the outcome early enough to pull his assets out before the collapse. Law’s schemes triggered the first memorable speculation-driven hyperinflation, the first delusory call for trust and the first shock of betrayal.

Charles Mackay’s compelling 1841 book, *Extraordinary Popular Delusions and the Madness of Crowds*, cast the 17th century story of tulip mania as a speculative hysteria of unmatched enormity. Were we even to reject modern revisions of Mackay’s account and wholly accept his inflated proportions, the mass tulip craze never stepped up to the level of public credit, never truly involved a notion of national or public trust, its manifestations remaining within the domain of private compulsion.

Dutch-born Bernard Mandeville in his 1705 allegory, *The Grumbling Hive*, confidently equates “Private vices, publick benefit.” For decades, he carried out his investigation of social mechanisms founded on the premise that the road to collective wealth is paved with individuals pursuing their own private interest.

Adam Smith’s now-ubiquitous metaphor of the “invisible hand” has come to epitomize the belief that no real form of public happiness can be achieved against the individual’s gain and, conversely, “by acting according to the dictates of our moral faculties, we necessarily pursue the most effective means for promoting the happiness of mankind.”

Read out of their intellectual context, Mandeville and Smith could appear to be describing or implying trust and credit as spontaneously working components in the utopian physiology of a perfectly healthy society. But the abundance and sophistication of contemporary imagery fill their pronouncements with complexity and pertinence.

Genially mirroring the ambiguous processes of trust and risk they were born to represent, this wealth of metaphors defies the wear and tear of circumstantial squabbles, as well as the generalizing platitudes of earnest simplicity. These figures still invigorate our reflection on trust granted, rewarded, misplaced or revoked, and our search for shared rules on which to found human exchange. 🍷



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**Barbara Scalvini** is a rare books specialist at Bernard Quaritch, the London antiquarian bookshop established in 1847. Barbara’s academic background in classics and early modern history developed into a passion for the history of printed books and manuscripts. She deals particularly with material on economics, philosophy, law and the history of ideas.  
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