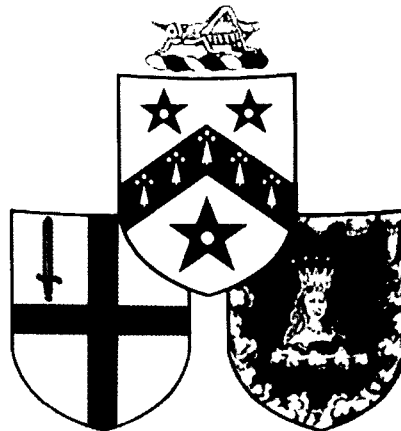


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COLLEGE



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RUMOUR, DISEASE AND THE MADNESS OF CROWDS

Three lectures given by

PROFESSOR JOHN M. PICK
Gresham Professor of Rhetoric

SECOND SERIES

Money Mania: The South Sea Bubble
Miracle Cures: Spas, Shrines and Spirits
Gambling Fever: The Mirage of Sudden Riches

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Money Mania - The South Sea Bubble

At the beginning of 1720, practically the whole of England, with a few exceptions, thought that investing money in the South Sea Company was an admirable idea. By the end of 1720 they were pretty nearly all equally sure that the people who had run the Company were rogues and vagabonds, and some of them indeed were sent to the Tower, which is a terrible warning I suppose for any engaged in speculative ventures today.

So what was the South Sea Bubble? It started quietly and in a perfectly reasonable way, in 1711, when the national debt had grown very large and, in particular, the outgoing dismissed Whig Government had left behind a particularly large debt of some £10m associated with expenditures on the Armed Forces. A company of merchants, (at the start without a name) many of the most eminent politicians and merchants and leaders of industry in the land, came together to form a Company whose sole aim was to restore public credit. What in effect that Company did was to float themselves on the market and put in their own funds and get funds from other people so that they, in essence, took over the Government's debt and paid some of the people who were owed money by the Government, and in return of course the Government of the day paid them some 6% on the loan they had secured from this Company. So it was right at the start a financial arrangement, which is not uncommon and was entirely honourable. The Government paid 6% per annum on the £10m loan they had secured from this new Company and the Government, in its turn, raised that 6% - that's £600,000 each year - by imposing additional duties, as ever, on wine, tobacco, silks, Indian goods and various luxury items on the market. But the Government, because they were grateful to have this money taken from them, also gave a monopoly of trade in the South Seas to this new Company, which had announced that it wished, as well as being purely a financial affair, to carry on trading to the advantage of its members. This monopoly of trade to the South Seas was arranged by Harley, the Earl of Oxford and that has always since been known popularly as the 'Earl of Oxford's masterpiece'. Once that had been arranged, the Company which had tried simply to deal with the Government's debt became, in the popular terminology, the South Sea Company and it was incorporated under that name by Act of Parliament, and in the public mind it was at once associated much more with the South Seas than with its purely financial arrangements here at home.

Why did a monopoly of trade to the South Seas matter? Why was it was generous gesture of the Earl of Oxford to arrange for this new Company to have it? It was because in the popular imagination and indeed in serious tracts which were published over here, the lands around the eastern coast of South America were popularly supposed to be inexhaustibly wealthy. The gold and silver mines of Peru and Mexico were, in particular, supposed to be almost bottomless, and it was felt that one had only got to send the British manufacturers out there to those lands, for them to be repaid at least a hundred fold by the grateful natives with the gold and silver which was apparently lying beneath every sod. But there was also a rumour, and it was no more than a rumour, that the Spaniards, who controlled the ports along that sea, were also willing to give the

British complete trading rights in those ports, to send their ships in and out, in other words to take out the gold and silver and other precious goods from the South Seas. So in the popular imagination this was opening up a magnificent new market, a magnificent opportunity. So, simultaneously, when it was formed the South Sea Company was seen as a saviour of Government because they had, as it were privatised its debt and also a magnificent enterprise to put your money into.

Yet right from the start the trading aspect of the South Sea Company was very slight indeed. Philip V of Spain, had absolutely no intention of ceding three or even four ports to Britain for British use, and he had expressly forbidden British vessels to go in and out of the ports along the South Sea coast. During protracted negotiations between England and Spain between 1711 when the Company was set up, and 1717, the only agreement they came to was that slaves could be exported in British ships from those ports and that under very tight conditions. Eventually, in 1717, the Spaniards agreed that one ship a year could go into their ports and take out such precious metals as had been purchased by the South Sea Company. In fact, only one ship ever did go in the South Sea Company's name - in 1717, because the following year yet another row between England and Spain meant that the King forbade even that and so in effect there was virtually no trade. But this didn't get into the public consciousness. Crowds sometimes don't want to see the obvious, and they didn't on that occasion, and in that same year of 1717 the South Sea Company prayed to Parliament that their stock should be increased from the £10m which they had raised to pay off the Government's debt, six years before, to £12m and this indeed was granted by a grateful Parliament. They were in effect a monetary corporation. The picture of them as dealing with South Sea ports and having access to the great mineral wealth of Peru and Mexico was a popular myth and one's bound to say that it was one assiduously fostered by the Company, because although they were simply carrying on financial affairs, they did their best to constantly put stories into the paper and around London of new finds of great wealth, of new agreements with Spain about ships being allowed to go in, new and highly lucrative trading arrangements being made with Peru and so on. None of it ever came to anything, yet public confidence in them, once established, didn't waver and early in 1720 the company was able to go back and take over another large segment of the national debt. This time they proposed to take £30m off the Government's back. They proposed to raise more capital for paying off the Government's creditors and in return they asked the Government to pay them at 5% for guaranteeing the repayment of those loans, which was later reduced to 4% when their rivals, actually the Bank of England, also made an offer. But eventually the South Sea Company got the job and they took over another £30m of the national debt. As one politician observed, 'We have put the wealth of the country now entirely in private hands'.

The stock on the exchange rose overnight. On the 2 February when they were given permission to take over this further part of the national debt, it had been trading at 130, that is for £100 invested, when the shares were being sold for £130. It rose to 300 overnight, a triple return on the capital investment people had made, and the Parliamentary debate which went on wondering whether they should permit the South Sea Company to continue to take over segments of the national debt, went on for two

months. Whilst that was going on, the stock continued steadily to rise and it wasn't long before it was up to 330, a return of more than three on any investment you had made in them. In Parliament there were many voices speaking for the South Sea Company, many voices speaking for the kind of 'Yuppies of the day'. Interestingly, one which did not was Walpole, he said something that I suppose could be made to seem applicable to many later bubbles in the market. He spoke in the house of 'the dangerous practice of stock jobbing which will divert the nation from real trade and industry, it will hold out a dangerous lure to decoy the unwary to their ruin by making them part with their honest earnings for a prospect of imaginary wealth. This principle is evil, it raises artificially the value of stock by exciting and keeping up a general infatuation and by promising dividends out of funds which will never be adequate for the purpose. If it succeeds,' he finished 'the stock market will run the nation, but if it fails, as it will, it will bring massive discontent.' But he was something of a voice in the wilderness, demand for investment shares in the Company continued to rise and the stock rose to 400 towards the end of the period of debate. Parliament rushed the bill through to give the South Sea Company control over the £30m of their debt. The Parliamentary majority in the House of Commons was 172 to 55; when it went to the Lords. Though again there were some voices against it, the majority was even more vehement, 83 in favour and only 17 against. The speed that it went through the House of Lords was astonishing. On the 4 April 1720 there was the first reading of the Bill; on 5 April the second reading; on 6 April it was committed and on 7 April the third and final reading and it became law; a matter of great speed.

Once it was law, of course, excitement knew no bounds. Millions were given to buy the steadily increasing stock of this marvellous South Sea Company. Exchange Alley, where the jobbing and the broking was done, was packed each day. London's hotels and boarding houses and Inns were packed with people who had galloped here from the country to invest their savings. Stories abounded of people who had sold their little farms, their houses, their land, or their goods, simply to raise some capital to get shares in the new Company. The papers of the day are packed with stories of even foreigners who had come over here to invest in this great British company. A popular rhyme of the day pointed out that it wasn't only men but 'the greatest ladies thither came and plyde in chariots daily, or pawned their jewels for a sum to venture in the alley'. Well for three or four days there was great excitement. The hours of the dealing in Exchange Alley were increased and then, just after the third reading in the House of Lords the first tremor: on the 7 April the stock had stood at 310, on the 8 April it had dropped to 290. What was happening, was that all those people who had invested at the beginning of the boom, at the beginning of the year, were beginning to think they would get out now and take their profit, so they were selling. But too many of them were selling and the purchasing price could not hold up. However, the Company, quite openly, (there were no actual laws against doing this kind of thing), and deliberately sent out paid rumour mongers round the city, to spread stories of new treaties with Spain, new finds of gold and silver in Mexico and Peru, and a series throughout April, of new offers was made by the Directors to keep the flow of cash coming in. On the 12 April they offered a fixed and guaranteed return of £300 for every £100 that was now invested afresh with them, and that was to be in five repayments of £60 each, the first to be given immediately,

which as you will see is a rather odd way of dealing with it, because it in effect means that you just gave them £50! This was so popular that £2m was raised in two days from general investments. Towards the end of April it was announced that there was to be a further dividend of 10% on all monies invested under whatever terms. Then they offered a bigger bargain to the next set of investors, the next people who put £100 in were to be given £400 back in units of £50, and the Company raised a further £1.5m in three or four days. Money was moving, to put it very crudely, faster than it had ever done before. Nobody saw any further advantage in holding goods, assets houses and farms and so on, it all had to be invested in this splendid new conceit in the Exchange.

The South Sea Company headed a really remarkable explosion of small companies that were rapidly put together, were rapidly conceived on any pretext and for almost any purpose. It was very easy then to get a patent on any particular idea or whatever. They urged investment in them for all kinds of reasons, almost always got the money. The wise put the money in, waited until it had gone up over a couple of days a little, and drew it out again. Some companies lasted three or four days, some a week, some a fortnight and some were really quite extraordinary. There was, for example, one wonderful adventurer who announced that a new Company was to be formed on a Monday morning; it is, and I quote, "A Company for carrying on an undertaking of great advantage but nobody is to know what it is" and that, he announced, would eventually be revealed. What you had to do was to subscribe £100, but as he realised that you didn't yet know what the Company's advantage was to be, you were only to give £2. Then, when the Company's higher purpose was revealed, in a month's time, you were to pay the remaining £98 that you were to be certainly one of the investors and down as such with that Company. Well the Company lasted four days. Crowds of people gathered round the man when he set up the Company on the Monday morning and in five hours on the first day, he had made £2,000 from people giving £2. He made about the same sum on the second day. On the third day he didn't appear because he took the £4,000 and lived a life of a gentleman in Paris for the rest of his days. Thus the 'great advantage' was eventually made clear to everybody - it was a great advantage to him! But the gullible still flocked, and mixed in with the gullible were the people who were cynically playing the Stock Exchange in that extraordinary summer. As observers remarked, at one end of Exchange Alley a Company could be being quoted at 10% difference from the other end, and you could actually make a fortune by walking the right way down the street, investing and then selling at the advantageous rates - it became a mania. Some interesting points about it are that the newspapers of the day, though very loud at the end of the whole madness in condemning public gullibility, in fact contributed to it. Most of the people writing in the papers wrote of the wisdom of the investors who could see that they were onto a good thing, and they wrote warmly of the shrewd business skills of all the people who were flocking into town to give their money to the new companies that were surrounding the bubble Company. But plainly the government started to get worried and on the 12 July, at the Council Chamber in Whitehall, the Lords Justices in Council gathered to try to put a stop to it - not to the South Sea Company, that was a major patriotic venture, but to the smaller companies which had been set up in the wake of its success, the little bubble companies.

On the 12 July in 1720 they issued the following proclamation: "Their Excellencies, the Lords Justices in Council, taking into consideration the many inconveniences arising to the public from several projects set on foot for raising of joint stock for various purposes, and that a great many of His Majesty's subjects have been drawn in to part with their money on pretence of assurances that their petitions for patents and characters to enable them to carry on the same would be granted; to prevent such impositions, their Excellencies have this day ordered that these petitions be banned forthwith." They then proceeded to list a considerable number (18) of companies which were trying, at that very moment, to set themselves up on various pretexts and were claiming that they would be given sole rights or patents for all kinds of ventures which were plainly designed to take money from people. There is a list of the 18 and it includes a company which wished to get a subscription of more than £1m to set up a whale fishery; another which was for the insurance of all sick people throughout the United Kingdom; another was for a good new method for making sails for ships - it is not clear what the method was; a dealer in timber wished to be permitted to raise £0.5m in capital for making boards out of sawdust - quite prophetic - that actually happened later on. A Joseph Golendo of London wished to raise the same sum of money to set up a series of factories for preparing snuff by a curious new method. The Justices said they would not give patents to these people, but they then went on in the more interesting part of the document to actually outlaw trading by all the minor bubble companies.

I repeat they didn't touch the South Sea Company, but here we have got a list in the same document of 88 companies, which were trading in London that summer, which the Lords Justices declared to be in one way or another fraudulent, and they banned them from trading. Now I can't go through them all, but the one which was simply setting up an undertaking of great advantage, but nobody to know what it is, was there; so was one for paving the streets of London, (capital £2m); another for furnishing funerals to any part of Great Britain; for buying and selling lands generally, (capital £5m); for carrying on fishing £10m; for assuring of seamen's wages; for purchasing and improving land - we seem to have heard that one too recently (£4m); for the clothing and pants trade; for the purchasing and improving a manor in Essex, presumably a private one; for a grand dispensary, (capital £3m); for improving the art of making soap; for making glass bottles in Derbyshire, for some reason; for the improving of gardens; for insuring and increasing children's fortunes; for the improvement of tillage and the breed of cattle; for insuring horses; for erecting houses for taking in and maintaining illegitimate children (capital £4m); for improving salt, and finally, getting a little near the old alchemy, for the transmutation of quick silver into a malleable and useful fine metal.

Well they were all banned but it didn't stop the other sort of trading which was going on at the top end of the market, and the South Sea Bubble Company continued to thrive in spite of the fact that the smaller companies that were mimicking it, if you like, were now being regarded as wicked and beyond the law. By the 29 May the repayment on £100 invested was £500 for each share. By the 3 June there was again another tremor: the value of the stock started the day at 890, it ended the day at 640. On this occasion interestingly a second technique with which we have later become familiar was used. The Directors of the Company didn't on this occasion order their rumour-mongers out

into the streets to reassure people that trade would soon be booming with Spanish co-operation or that new finds of valuable objects had been made, instead they sent agents out into the markets to buy their own stock, and it rallied. By the beginning of August that year it was back up to what was to be its last high, 750, but by that time people who had held onto their shares in the Company were beginning to feel that it could hardly continue like this.

Indeed by the 29 of September it was down to 135 and by the time the month was over and we were just into October the shares were being quoted at less than their original value, somewhere in the 90's. And so what Smollett called 'tasteless vice and mean degeneracy' began to take over and in the next couple of weeks the South Sea Company virtually collapsed. People who had rushed to sell now found that they had virtually nothing left to sell. Ruin faced tens of thousands of large and small investors and of course the Government, which was plainly in danger itself of being discredited, turned its vengeance upon the directors whom it had praised to the skies not many months before for their public spiritedness and fine sense of values. Public meetings were held throughout the land in which rather dangerous demands for vengeance began to be heard and in answer to them and in answer to threats which were made upon the lives of the Directors of the South Sea Company, the House of Commons on the 9 December of that year set up an enquiry into the activities of the South Sea Company to discover whether there had, in fact, been a deliberate desire to defraud the public and pretty obviously the conclusion was rapidly abroad that they had. They found it difficult to investigate the books of the Company because the treasurer, Knight, actually fled the country and almost immediately a reward of £2,000 was offered for his recovery and return to this country. But he wasn't returned; it strikes one as an extraordinary thing that, although he was apprehended by the British representative in Brussels and imprisoned in Antwerp, he was apprehended in a country which prided itself upon giving sanctuary to criminals from other lands, so he couldn't be extradited and brought here to justice. In any case, before discussions between the British government and the authorities in Brussels had gone very far he had escaped from prison by rather dubious means and so wasn't brought here to justice.

Parliament set up its own court to hear the cases of the directors and to decide upon appropriate punishment for them. From the books they were able to get, they discovered that there had been large movements of entirely fictitious sums of money designed to boost the public confidence in their accounts and dealings, and they discovered that all that talk of the possibility of trade opening up on the South Sea was quite fraudulent - they never had a ghost of a chance of a serious agreement with Spain or any of the other countries involved. So the Directors one by one, were brought before the Bar of the House of Commons and there tried by the enquiry group. Crowds gathered in London once more, the same people, one imagines, who had flocked to London to invest in the Company a few months before, now gathered demanding retribution for the Directors who were being tried. They crammed Westminster and they crammed the corridors of the House of Commons to hear each verdict. The first person to be dealt with was Stanhope, who was in fact acquitted, and the country came dangerously close to riot. There were a number of attacks on public buildings made by

furious people who couldn't see why a man, it seemed, so obviously guilty as he, should be let off by the House. The second director to come before them was found guilty and he was ordered to make good, from his own estates, his part of the eventual huge debt that the collapse of the Company had left. In other words his own lands and his own fortune were very largely forfeit to the Commons so that they could begin to build up assets once more and make some repayments to investors. He was also sent for a year to the Tower of London in close imprisonment, perhaps remembering that Knight had a few weeks before escaped from a prison. When the verdict was announced at 12.30 in the middle of the night, London became illuminated. It is said that people switched on their lights, lit bonfires outside, and danced in the streets for joy because a Director had been sent to the slammer. The next Director, Caswell, was also sent to the Tower and was ordered to refund a quarter of a million pounds from his own fortune and estates. Sunderland was acquitted, but then others were equally made to cough up huge amounts of money to restore something to the Company's coffers. Sir John Blunt, a man who was well known - Pope wrote about him for his own condemnation of the vice of others - had only £5,000 left out of his own personal fortune of £183,000. Sir John Fellows, £10,000 out of £243,000. Sir John Lambert £5,000 out of £72,000, and Mr Edward Gibbon, the grandfather of the famous historian, had £10,000 left out of £106,000 when he was found guilty in his turn. Altogether from dunning the Directors and getting them to pay back into the Company which had collapsed beneath them, the House of Common raised £2,014,000 from such fines, and they were able then, in the spring of that year of 1721, to pay a dividend to all subscribers. A dividend which didn't repay their money but was at least very welcome indeed to the people who had lost it. It was a dividend of roughly a third, that is, each person who had invested £100 got £33 6s 8d back in a dividend from the Commons Committee that was now looking after the affairs of the South Sea Company. Those companies and people who had borrowed from the South Sea Company were deemed to have discharged their debts, if they were simply able to pay back 10% of what they had borrowed. So as best they could the House of Commons attempted to put things back as right as they could be at the end of this period of extraordinary madness - and it was extraordinary.

Whilst it was going on there were a few people, such as Walpole, who had sternly spoken out against it and had pointed out that it was a kind of deliberate willed insanity that people couldn't see that there was no actual trading going on and that credit was being stretched beyond its natural limits. There were others who, like Pope, actually at the time, celebrated in writings or verse the folly of what was happening. Pope was as ever particularly trenchant about that strange period, he writes, "At length corruption like a general flood did deluge all, and avarice creeping on, spread like a low born mist and hid the sun, statesmen and patriots plied alike the stocks. Peeress and butler shared alike the box, and Judges jobbed and Bishops bit the town and mighty Dukes packed cards for half a crown, Britain was sunk in Lucre's sordid charms". Memorable as ever, Pope. Britain was sunk in Lucre's charms for a summer, but I suppose as we are looking at crowds in this series of lectures, there is nothing so extraordinary as the massive fickleness of the crowd. People had rushed to invest in the South Sea Company and they rushed hardly a year later with equal vehemence and equal righteousness to demand vengeance from exactly the people they had willingly given their life savings to

a month before. There is nothing so self-righteous or so vindictive as the crowd that has been led to defeat. And there is an interesting postscript to this. The book which is the inspiration for this short series of lectures (a book that I do commend to you) is a book that it unwittingly funny and a considerable work of scholarship - it's Charles Mackays "*Extraordinary Popular Delusions and the Madness of Crowds*". It's a book that I've used for all my lectures in the series. It had in its turn an enormous impact when it was published in 1841, and a number of the reviewers in the 1840s, when they looked at the way Mackay described the madness that had fuelled the great movements like the movements of the Crusades, or the South Sea Bubble or the Mississippi Scheme (which was an equivalent scheme over on the continent which John Law was responsible for), they tended to take a rather self-righteous tone, saying that this is a fascinating book by Doctor Mackay but of course he's talking about the unsophisticated past, we would never in the middle of the sophisticated 19th century be taken in by Lucre's sordid charms in the way that they were a century and a half ago with the South Sea Company. Well the book was published in 1841 and the reviewers were saying that sort of thing in 1842 and 1843. In 1844 and 1845 came the Great Railway Mania when the British did it again and poured money in to companies that were equally obviously just founded upon hot air or indeed upon a bubble.

Miracle Cures: Spas, Shrines and Spirits

In the first four lectures we looked at quite specific instances of the madness of crowds. We looked at the great superstitions in and around London which attended the Great Plague, at the sudden fear of revolution which gripped the capital in the 1840s and particularly in 1848, and the dreadful terrors in London in the winter of 'Jack the Ripper' exactly a hundred years ago in 1888. Last week we looked at the great South Sea Bubble scandal particularly of the year of 1720. In each of these instances we've seen that crowds behave in certain characteristic ways, the most obvious of which is that they behave collectively and very suddenly. In the introduction to the book which I mentioned last week, Mackays '*Madness and the Behaviour of Crowds*' the author compares the behaviour of crowds to the behaviour of a swarm of midges which seems to hang perfectly still for a long period and then, without any noticeable warning, suddenly moves a few feet, one way or another and then after a period, equally suddenly and equally collectively, perhaps moves back into the original place. Crowds seem to have their own instant communication systems and one of the strongest reasons for believing anything in the history of human kind is the fact that other people believe it too. Today, and in our lecture next week on gambling and its attendant pleasures, we're looking at a different kind of crowd behaviour. We are looking at those longer standing beliefs which large numbers of people hold through time and which occasionally impel them to behave suddenly altogether in an irrational way, but generally our quieter beliefs which impel mass crowd behaviour over very long periods. These are not sudden movements of midges but things which actually try to explain why midges are there at all or which are about the whole existence of midges or crowds.

There are a number of long standing beliefs which seem to strangely permeate many civilisations. The belief, for example, that in spite of all that scientists tell us, there is something in prophecies, that somehow we can actually tell, by various means, the future. That belief, in ages of great rationality and also in romantic ages, seems remarkably permanent. A second one is a belief that either the golden age will one day come, or in recent centuries that has been replaced by the view that things always used to be better. There is a feeling, (researchers at Bradford and at other Universities have actually looked into this) that people always have, that things used to be much easier. There didn't used to be the crime there is today, there was a time, about 35 years ago, when everybody left their front doors unlocked and put down their shopping baskets or bicycles, or whatever it was, in public places without any fear that they would be taken, and that they could walk the streets without fear. History suggests that was not the case, but we continue nevertheless to believe it. In practically all generations you will find that people believe certainly that two or three generations back things were better. There is a permanent belief that there is something called fate which allows us to have a chance against the odds, the possibility that we may be plucked out, even against whatever statistical or other rational arguments that may be used against it, for sudden fame or sudden riches. Then there is the one that we are now going to briefly deal with this week - that in spite of all that doctors and medicine tells us about the way things are, the way our bodies work, the way our minds work, that nevertheless, to quote

Hamlet 'there are more things in heaven and earth than are dreamt of in your philosophy'. In other words, a belief in miracle cures has survived all kinds of rational upheavals, all kinds of scientific revolution and persists, century after century, including continuing to exist in our own day.

I am going to talk a little and it has to be very brief, about the notion of the miracle cure as it was seen for centuries largely in Christian Europe. It keeps touching upon our more direct experience of Britain or even of London, but it is a belief in a system of looking at things, which has been a remarkably pervasive, certainly since medieval times, and which certainly in various forms exists. And it's the belief in miracle cures which is founded upon something to which we might briefly return right at the end of the lecture. But in trying understand why we are ill or why we are cured, we have to ask two questions. One is how do we become ill, how do bacteria work, how are viruses transmitted, how chemically and physically do our bodies work and why do we become ill, why is there illness? The pattern of thought which sounds a bit strange to our more rational modern mind - the pattern of thought that led people to believe in demons and possession and evil spirits and in the relics and holy places and spas where one could find a cure - that whole pattern of thought was in fact founded upon a wish to answer the two questions simultaneously. How disease occurred, how illness happened and how it was cured and why it happened, and why cures were put into the world. It was both a medicinal system and a theology, and in Christian Europe it goes something like this. Each of us has a soul, and the soul, though invisible, is nevertheless an entity which lodges in some sense within the body. The soul is a protection both from what one might in a mundane sense call disease and against the much bigger metaphysical threat of evil and internal damnation. The soul had to be of course kept within the body and all sorts of beliefs which we may still now hold attend that. We still say for example, 'Bless you' when somebody sneezes and one reason for this is that the fear that in sneezing you will expel the soul, so naturally we bless the person and reassure ourselves that they are still in a state of grace and the soul has not, as it where, been expunged from the body. It is part of the reason why the myth persists that it is very bad to wake up somebody who is sleep walking, because it was believed that the soul often departed from the body in sleep and it may well be that you would wake them up to full consciousness and the soul would not yet have had time to re-enter the body because of the suddenness of the awakening. There was the belief that the soul was then in a sense in a state of grace, was a protection against evil and against the horror of eternal damnation and going to hell and it was also a protection against more physical demons, the things we now call viruses or bacteria or whatever.

Demons were for centuries very real, although it is not the fashion to discuss them. Demons were everywhere. It was calculated that in the world there were 7,405,926 demons divided into 72 companies each of whom had a captain or prince and they were all working under the supreme command of Beelzebub, or the devil, or the prince of darkness or whatever. The demons were everywhere and they multiplied. There was the Incubi, the male, and the Succubi, the female, and they had offspring. The earth swarmed with these invisible creatures who, if they entered your body, would quickly take possession of you and it would require the act of holy people or some extremely

strong ceremony of exorcism to remove them. You will remember in the New Testament, Christ Himself expunges demons from the man possessed. This was a serious way of explaining the how and the why of illness and disease, the world swarmed with demons, all of whom wanted to enter the body but were usually prevented from doing so because of the purity of the soul within. It was a coherent theology. St. Gregory of Nice, no mean scholar remember, solemnly in his account of his theology said that he knew personally a nun who forgot to say her grace as she sat down to her supper and swallowed a devil sitting under a piece of lettuce and was possessed for a month before they exorcised it. This is a serious, albeit somewhat, metaphorical way of looking at the world, but the demons were very real indeed and it was long believed, and I dare say still is believed very strongly in parts of our country, that the demons can be sometimes seen, or their trail can be seen still. It still is a belief that I certainly found in rural parts of the South West when I was there that there were things which the locals only slightly abashed sometimes called demons or witches Sabbaths. These were held in certain places where four roads met and you knew they had been held - they were usually apparently held after midnight on a Friday - because the earth was so scorched that nothing would grow there for ever afterwards because of their power and warmth of their cloven hooves and so on! Now, the belief in demons will, apart from one or two slight embarrassing bits of our experience, have disappeared.

But the belief that somehow ordinary actions that we might, wearing our rational hats, call superstitions can help to sustain the soul within us, in our fight against these invisible and malevolent hoards are, I suggest, still very strong in Britain and indeed in Europe generally. Because of our belief, strong still in the power of relics, in the power of charms, talismans, the power of the various symbols, the various parts of holy things, which we chose to carry around with us or to have in our homes or in effigies about us, which however rational we may be, are actually part of a long held superstitious. Relicism, as it is sometimes called, is still pervasive. I happened to flick through, (knowing I was going to talk to you today) the Sunday newspapers and I found more than twenty advertisements for, in effect, pieces of relics or charms or various good luck tokens or things that were supposed to work somewhat miraculously to clear the air around you or give you good vibes, or make you miraculously well, or whatever, in our rational Sunday papers. The sale of such things must be enormous. I saw in the New York times on St. Patrick's day, that it is estimated that ten million four leaf clovers are still sold every year in the United States. So what we are talking about is not something entirely dead within a communal spirit, indeed it is very much alive. The most common relic I suppose, in European Christianity, is that of the true cross. It is supposed that Helen, the mother of Constantine the Great, discovered the true cross on her pilgrimage to Jerusalem. It was much later presented to St. Ambrose, the Bishop of Milan, who studded it with precious stones and much later was carried away and burnt by the Huns, who first removed the precious stones.

Nevertheless by the 11th or 12th century, virtually every church in Europe had fragments of the true cross, a number still have. Though we may find that odd, you might like to think upon the tradition which makes even the most rational of us, when we have in some way essayed chance, when we have cast our boat upon the waters and

are hoping for a good outcome to something that is rather difficult, still say touch wood, which comes back to the wood of the true cross. This idea is deeply embedded, even now, in the way we behave. Probably after the true cross the most common relic is maybe the tears of the Saviour, which were sold in sachets, as were the tears of St. Peter, for many centuries, and were kept in many churches throughout Europe. That you might think as a rational thing, is somewhat implausible - I mean who collected the tears and so on. We are plainly in a realm of metaphysics here, but nevertheless a very real one. Even less likely are those many toenails of St. Peter, which were still on show at the end of the 19th century in many European cathedrals and churches, and which had associated with them various amazing curative powers, usually associated with curing lameless or weaknesses of the feet. For nearly six centuries, in the Port Royale in Paris, the thorn, which was supposed to have been preserved from the crown which bound Christ's head, was kept. In this country we, too, have a great deal of belief which centres around thorn trees. There is one in Glastonbury which is supposed to miraculously flower on a certain day each year and which draws large crowds each year to watch it, I'm bound to say not doing so. In Rome the examples multiply, there are still the holy stairs up which Christ is supposed to have walked to enter the presence of Pontius Pilate, and the important point is not that the relic is kept but that there is a kind of divine essence supposed to emanate from them; they are kept sacred and powerful relics, nobody else may walk up the steps and again merely touching them, or even looking upon them as with other holy shrines and places is supposed to enable ones soul to drive out the demons which are possessing.

So, many relics come from the Christian story, from the life of Christ, but there are many others. It would be tedious to go on with too many, but throughout the middle ages Brussels, for example, preserved the teeth of St. Gudual, which was supposed to cure toothache if you looked upon them. In A La Chapelle the thigh bone of Charlamene, which cured lameness if you touched it. In our own area, near to us here for nearly three centuries, preserved in local Smithfield churches, was the hair of William Longbeard, a popular leader who was hanged for being that in the reign of Richard I, and to touch the carefully preserved hair of Longbeard was supposed to protect you from evil spirits.

Coming a little more up to date, since the 17th century a great many people have kept in their home, rather curiously, not just relics of religious leaders or of good popular leaders, but of criminals. There has been, (not to put too fine a point on it) a roaring trade in bits of criminals' bodies. The hand of an executed criminal was popularly supposed, for several centuries, to cure a wound if rubbed on it the right way and it was one of the things that could rid a victim of the King's evil. I think everybody knows, gallows rope, rather gruesomely, sold for a guinea a foot was a splendid source of income for hangmen. We may forget when we look back on the well known story of Maria Martin, done to death by Corder in 1828 in the red barn, (a story almost everybody seems to have heard) that the red barn was almost completely demolished by souvenir hunters who came to take away any part of it, because it was thought to be, by its own association with evil, so purged with evil it became paradoxically a symbol of purity; in other words, it had as it were seen so much suffering that it could see no more.

To come right up to our own area nearby in Camberwell Lane, in 1837, Greenacre there in one very famous murder of the day, murdered one Hannah Brown, and local records record that there had to be a police watch-dog guard on the house for the following month to prevent everything, including the chairs and tables, being taken away, chopped up and kept as relics with particular symbolic power.

By the time one gets to the 18th and early 19th century, the business of relics has gone one step further - there was a manufacturing industry which manufactures things that plainly are not the original and don't even pretend to be, but which replicate it, simply look like it. The buttons from the soldiers at Waterloo which were sold, were known even by the people who brought them not to be quite real, they were replica buttons, they weren't actually gathered from the mud of Waterloo. In the same way another popular relic that was sold on the open market were the sticks cut from the willow over Napoleons grave, they were known to be possibly special fronds of willow, but not actually sticks taken from that very tree. In the 18th century, as the middle classes developed their cabinets of curiosities including their household relics, household charms and other trophies, and later in the 19th century when people from the lower middle class and working class began to decorate their fire places and mantelpieces with all kinds of symbols and charms, an industry grew up to satisfy this need. And of course it had always been the case, that if all the wood which had claimed to come from the true cross had been gathered together, one would have had far too much to make just one cross. If all the buttons from Waterloo had been gathered together one would have been able to deck out twice the number of soldiers as actually fought there. One knew that many of these new things manufactured and sold very cheaply in the 18th and 19th centuries and indeed in the 20th, were not real in that sense. Nevertheless it was assumed that by their shape and by their form they carried with them a certain power so that to have them in the home brought good luck, warded off the evil demons or evil spirits or inspired one to so strengthen the soul that one could continue the fight on behalf of goodness. We all know, that though we look back somewhat patronisingly to the past, that sort of thing still goes on - the adverts in the papers, what decorates the walls of any country pub and indeed I suspect, what is in my house and in yours - bears out the fact that we continue to assemble relics and we assemble them as part of an ill defined but still strongly felt fight against the demons.

Now, in that fight against the demons, where we are using the relics, certain rules were established which are perfectly logical, given the context and which in a certain way we still maintain. There is, for example, the widespread belief in sympathetic magic which still has a hold on many people's minds and is still indeed used in some forms of alternative medicine, often one's bound to say with surprisingly successful results. If you want to do somebody harm, you stick pins into a model of them. If you want to do them good you keep a photograph, a picture, or a statue of them and constantly pray to it, touch it, stroke it, kiss it, or otherwise affectionately behave as if the statue, or the replica is the person and this helps to bring goodness into their lives.

Some people believe in a form of sympathetic magic that some places are simply 'better' than others. People will go a long way to visit a place which is holy, which is a

shrine, which has associations with previous miraculous cures, in order to carry out there what they could have done elsewhere, but has to be done in that particular place. It is not the same to take the magic water from a particular spring or to say a prayer which is known to be rather efficacious at home, you have to go to a special spa or a special shrine and because there the activity becomes more charged, the demons are more readily put to rout and the soul and the being is more readily restored. We continue to believe that, the size of the crowds that flock to Lourds or go to witness any reported miracle or sighting of miraculous figures, (even though they may be attended by all the vulgarity of the media and television cameras and so on) indicates how strongly we still believe that certain places are more conducive to sympathetic magic than others. The astonishing thing really, I think, is that the spa and the shrine continue to thrive easily in spite of the occasional refutations that they are any good. For example, one well-known spa in Britain, (I suppose I'd better not mention which one in case there are members of the Tourist Board present) was actually investigated, about ten years ago, and was actually found to be giving water to its visitors which was very likely indeed to make them quite seriously ill. On analysis the water was found to be full of all the wrong things, and moreover the general ways in which they were given the water introduced them to more unusual and dangerous bacteriological substances. The effect of publishing the report was in fact to prove quite a boost in attendance, people just didn't believe the scientists. They believed, even a decade ago, that the well-known long-standing, historical triumphs that this northern spa had had, far outweighed anything which modern council officials might do with their little test tubes and so on.

The belief is very strongly held indeed - it doesn't matter if you can show how the statue of the Virgin's arms seem to move when the light moves in a certain direction. You can do television programmes about it and show that it is a trick of the light or whatever, but it doesn't make the slightest difference, because, as you will remember, it is helping to answer the question why, and to show that the how is faulty doesn't remove its validity. And spas are indeed a curious phenomenon. It may not be generally known, that they are called spas because the very first town to seriously promote its mineral water was Spa, a town in Liege, a province of Belgium, which has been famous since the 14th century for its mineral springs. And so other towns which have since become very famous indeed have taken its name, Spa, and we may nowadays somewhat underestimate how much the supposed medicinal properties of the spas were inter-mixed with their metaphysical and religious properties. Spas became in a curious way, and to some extent still are, shrines, places where various holy cures were inter-mixed with the physical cures. We may too have forgotten just how important spas were in Britain in the late 18th century.

By the end of the 18th century the town of Bath, just about the oldest spa in Britain, which like Buxton and one or two others had been used by the Romans, and which had been greatly developed by Nash and by Ralph Alan, the magnificent assembly rooms opening in 1771. Bath by the end of that century was in fact the ninth biggest conurbation in Britain, its growth was enormous and its establishment on the national scene was very quick and on a very large scale. We might also (to revert for a moment

to its magical properties) lose sight of the fact that although the springs (which in Bath are warm, as you will know, about a 120 degrees) were actually the property of the Crown, the spa itself, the giving of the waters, was administered by the Church and prints of Bath in 18th and early 19th century, as well as many descriptions in literature and in the writings of travellers, point out how many different kinds of cure there were to be found there as well as the waters. There were people selling religious relics; preachers who had various forms of prayer, spell or whatever, which would rid you of your diseases. There were various people using the fashionable cures of the day such as magnetism - a phenomenon that wasn't by any means fully understood, it was thought itself to be possessed of curative properties. When you went to Bath, as well as taking the waters, listening to the preachers, buying relics, and other strange substances in bottles and strange powders and so on, you could also go and pay (if none of those appeared to work) to be magnetised or to have your head put between magnetic plates or whatever, which was popularly supposed, to expel the demons, and to generally tone up the system. Well, there were at that time, certainly more than thirty active spas in Britain, including the one within walking distance of us here - Mr Saddler's wells - which are still there, those deep wells, which for a long time operated as a cure for the people of London who took their carriages out onto what were then the green fields around. It was big here, it was big throughout Europe.

What happened next was the great industrial revolutions, which ushered us into the 19th century, an age of science, ages, waves of science, we might say, where such explanations of the universe as spirits and demons and the soul and shrines and spas and so on, such practices and beliefs tended to be ridiculed and replaced by scientific explanation. But if I'm right in these very few remarks I've been able to make about the shrines and spas and spirits, that as a matter of fact hasn't driven them out. Though we use them as another name, we tend still to believe in demons and though we sometimes have other psychological terms for it, we tend still to believe in something very like the soul, whether we are Christian or not. And, as I suggest, a look around our homes and many of our public places would suggest that we still plainly have a strong belief in relics. And that is because, although it seems that to discover more about say, electricity and to become more scientific about electricity, replaces the god Thor as an explanation for thunder, it actually only replaces half of Thor. Thor as I said at the beginning was an answer to how thunder was made and why. Knowing a lot about electrical charges, and about the speed at which they are transmitted, and about our hearing helps us to understand in a far more sophisticated way, the how of thunder, but not the why. In a curious way, all of us go on quite rationally believing that somehow that is a real question, and there has to be a why for disease as well as a how. There has to be an explanation of the spread of it, and an explanation as to why, seemingly at random, some people are cured and others not, an explanation of why one cure works for one person and not for another. In a sense science, as it often does, professes itself baffled, we are always apt to say 'yes we know', because we do sense that when people talked about the demons and the soul they were really not perhaps talking such rubbish as we sometimes pretend.

Gambling Fever: The Mirage of Sudden Riches

Welcome to the sixth and final lecture in the series devoted to the behaviour of crowds, and the madness of crowds which has been promoted by Gresham College.

Today our topic is basically gambling and lotteries and the mirage of sudden wealth. One of those activities of crowds, whole nations indeed, which has an enormous history and an activity plainly is as old as social human life itself: an activity which can be undertaken alone, you can test yourself against fate as you sit alone in your room playing cards or whatever, but is surprisingly often undertaken in crowds and that of course will be our major emphasis today. The very act of the 'lottery' or the game of chance is very old indeed, and has two interesting aspects. The first is, very often used as a means of allowing fate to decide upon the distribution of something which is present in unequal or the wrong proportions, and the second aspect, which is very interesting, is that the operation of games of chance or habits of chance or fate is often seen as a divine act and one sees this from the earliest religious writings. The Bible is full of examples of people who were chosen, essentially by lottery, by lot to occupy a particular position. For example in Acts 1-24, when the question of Judas Iscariot's successor came up, Mathias was chosen, not Joseph, to occupy this position, by lot, 'the lot fell upon Mathias'. That almost certainly was the common ancient practice of putting different coloured spherical stones in a large container and either having somebody blindfolded, feeling, move them around, and then choosing one which would be the colour of one or the other of the candidates, or occasionally so shaking the vessel that one of the stones fell out. In this case it was probably the second method; 'the lot fell upon Mathias'. But in either case it was in reply to having asked God who should be chosen. God was assumed to work through lottery, and through the activity of chance.

So as we look at some aspects of the quite extraordinary games of chance and lotteries that have taken place in the history of our planet, we have to remember that we are talking about something which is always much more than a simple operation of random statistical opportunity or chance. We are talking about something that is wrapped up with the fates, with the mystic forces, in the universe and something pretty close to our topic of last week, because people believe that they stand a better chance in lotteries, in games of chance, or in all the gambling games which have operated through the ages and which continue to permeate all societies, if they have various forms of good luck charms, or totem around them. So I am sure I don't need to elaborate too much upon the antiquity of gambling or of lotteries. Dice for example, at the heart of many games of chance, have been discovered in excavations of practically all the Roman civilisations; a great deal of Roman fun was to be had with the dice and the dice was also used as a means of choosing people for public office and the means of choosing people who had to do something rather unpleasant as a civic duty.

Venice was not the first, but was certainly a significant civilisation, to use lotteries as a means of public taxation. Increasingly in the 20th century, governments either use them as a means of direct taxation or they tax the people who run the games of chance or lotteries. France was the first country, in 1539, to establish a state lottery. Not much later, it may have been generally forgotten, but here in England in 1566, Elizabeth I held the first English state lottery selling 40,000 tickets at ten shillings each, and the prizes were good quality gold and silver plate and 'certain other sorts of merchandise'. So the antiquity is obvious. Governments have either taxed, licensed or themselves used lotteries as a means of raising money, as a means sometimes of operating political control, by choosing people for high office and sometimes have used them, as we shall see, in one or two later examples, as a means of allying the state to divine forces in allowing the state to so organise itself that it is bound by the apparent operation of chance.

Now, we just must mention the fact that lotteries and games of chance have, throughout the ages, been subject to much opposition and in most of us there is a certain ambivalence about what we call gambling. Sometimes it is a rational objection, the objections to gambling may be because it is manifestly unfair on the losers and most people, a depressingly large percentage, are losers. The mirage of sudden riches may be a false mirage and we may wish to guard against gullible people throwing away their money on the promise of a possible first dividend of a million pounds. Sometimes the objection stems from a feeling that we must protect not losers but the winners, that people who earn sudden riches without working, without labouring for them, and without doing their time properly, are themselves morally flawed by possessing such a prize. Certainly English literature and many modern films, television plays, radio plays and all the rest of it harp upon the tragedy of the winner who can do nothing but spend, spend, spend and eventually is debauched by the success that they seemed to have had. But there is a third kind of objection to gambling and lotteries which is a religious objection. It is a very complex and in many cases a very deeply felt objection, and it stems in part from the fact that fate is, if you like, being tampered with; that what is happening is that people are entering a world that they can barely understand where fate operates by laws that they try to control by means which are quite close to black magic, but which are somewhat suspect and the hand of God is too obviously thwarted in using fate for such a base purpose as to give a great deal of money to one person.. We shall come back to all of those objections, and in our own country, at various times, those kinds of objections have surfaced. The history of most countries is one of an ambivalence towards lotteries and gambling. Countries like them for the money they bring - sometimes indeed as in our own country, run them - but at the same time will go through periods of wanting to ban the operation of chance and wanting to outlaw gambling or lotteries or whatever.

In no country is this more obvious than in the United States. Right from the start the United States has been keenly interested in gambling. The very first Secretary of the Treasury in Washington's first United States administration, wrote a two page memorandum to the new government which is still in the Library of Congress, entitled '*Ideas for a Lottery*'. What the secretary meant was ideas for a state lottery and he

plainly thought, in those early days, that this was an entirely proper way of raising money, an entirely moral thing for the state to be involved in and something which in many ways was more moral than taxation. Indeed that view still persists in the United States. It was only two years ago that a Senator did really suggest that people would fill their tax forms in the United States more readily if they could all enter a lottery by doing so and win large prizes. But the first Secretary of the Treasury said that a successful lottery, a successful game of chance should always have two things, first of all it should have a low threshold of admission, by which he meant low price, and secondly, simplicity, the fewest possible barriers between hope and gratification.

Now that is a wonderfully simple way of describing a good lottery and certainly the United States has never seriously when it has been in favour of lotteries deviated from that view. Thirty years after that lotteries had spread extremely widely in the United States. By 1833 there were more than 200 offices devoted to the selling of lottery tickets and practically every State had a State lottery and the State lotteries were annual or monthly affairs, often supplemented by special lotteries for special events, a special need to collect a lot of money for a State school. A lottery was seen as an entirely honourable way of raising public funds and as I say rather more honest than taxation. But the religious argument that it was nevertheless, by building up a mirage of false riches, destroying something of the moral fibre of the nation, began to take hold, and in the middle of the 19th century, State after State found itself banning its lotteries which it had run for 30 or 40 years as the feeling grew that this debauched young people. By the time one got to 1862 only Missouri and Kentucky did not have anti-lottery legislation.

One or two big lotteries continued to thrive and perhaps the most famous of them was the Louisiana lottery, which was as big and as successful and as widespread, and as international as the Irish sweepstake became in the 20th century. What happened was that the lottery was run from Louisiana, the big prizes were chosen, as ever, by spherical balls in a large pot, somebody blindfolded, picked the big winners; smaller winners were chosen by other means. Most people bet on the Louisiana lottery through the mail, and it was making \$10m (£5m) a year profit. The expenses for the people running the lottery were quite high; there were about 300 people running the Louisiana lottery, it was a big business. So the State started by asking for a \$40,000 licence fee for the Louisiana lottery people to be allowed to carry it on, and that request grew and grew with the years, until, as opposition to the lottery began to mount in the State the annual licence fee had risen to be more than \$1.25m annually. But even that official licence fee was as nothing compared with the bribery which was pretty openly gone in for by the Louisiana lottery in order that they almost alone could keep operating in the United States where there was, around the country, so much anti-lottery, anti-gambling legislation. There had been formed in the State an anti-lottery league which held monthly rallies to denounce the lottery which was going on down the street so to speak, and therefore, in order to keep the senators and to keep the members of the legislature sweet, the Louisiana lottery people resorted to bribing them, often in the most obvious way.

A number of fascinating stories have survived, about the good folk of the Louisiana government, who were bribed in this way. One story concerned a man called Fisher Smith, who was a state senator of quite impeccable character, who was also poor and he pledged publicly that he would never sell his vote to the lottery officials no matter what they offered. But when a bill for the extension of the Company's charter came before the legislature, to the amazement of his colleagues, Smith voted for it. Immediately outside the voting lobby he collapsed and died and a money belt containing \$18,000, was found on his body as he was carried away. Another prominent dignitary in Louisiana, the Reverend Warren, appalled the people of his district by voting in favour of lottery legislation and when pressed for an explanation he said that he did it for a cash payment from the people who ran the lottery which put a new roof on his church, and he was, in a fashion which has lately become popular again, banished from the church and banished from preaching publicly. There was one man who has come down to us who resisted the temptation, a man who had the splendid name of J M McCann II, of Louisiana, who, whenever he was offered a bribe used to call a public meeting and announce that he had been offered it, throw the money back at the Louisiana State Lottery people and refuse it. His speeches about the attempts to bribe him are really rather funny. He actually said on one occasion that he had been walking down the street and 'money had been dropped from every window at my feet' that he had gathered it up, put it in a bag and sent it back. On another occasion he said, 'Whenever I put down my hat, when I pick it up again it is full of dollar bills', a facility you might envy, I suppose, but he sent it all back. He must have found it particularly frustrating when he went to a breakfast for local politicians which was called in order to listen to objections to the lottery into the local gambling, 'and when I lifted up my porridge plate I found \$20,000 in cash beneath it' and he returned that too. The Louisiana lottery people had to fight harder and harder to retain their position and the anti-lottery league, towards the end of the 19th century operating particularly in Louisiana, grew stronger and stronger.

In 1890, President Harrison asked for final national legislation against lotteries. They 'debauched and defrauded' the people of the United States, and a bill was passed which rather cunningly destroyed the state's rights then to hold lotteries, not by forbidding the states to do so, that of course would have been very difficult indeed in the United States, but by not allowing either tickets or money for lotteries to be sent through the post. It is the way in which anti-pornography legislation sometimes operates, you forbid the government mails to carry it and in that way you naturally totally constrain any business in it, or you make it extremely difficult. And so the 1890 bill which was not repealed until between the wars in the 1930s, prohibited the carrying of tickets and of money for lotteries by mail. The people running the Louisiana State lottery moved out of Louisiana; they tried to establish themselves south of the border, couldn't get a licence anywhere for about three years. Eventually, much weakened, they moved their Operation to Honduras which was the only place which would allow them in, but it didn't work and the whole operation finally expired in 1907. But, as we all know, in the United States in the 20th century gambling has made a comeback. The building of special gambling cities predominately in Nevada, and lately followed by New York and other States, is known world-wide. But not many people may realise that part of the reason for this is that chance and lottery has been used by the United States government

in another way and this way has been not to distribute wealth but to chose fairly between young men who are being drafted into the army.

That has been used in the first and second world war and was used again in Vietnam, something we are unfamiliar with here, the use of a lottery for the purpose of apparently distributing, by random chance, something which is unpleasant rather than apparently distributing something like wealth which is pleasant. The history of draft by lottery is quite long in the United States. During the Civil War, the Union Army was raised, in part, by lottery. By 1862 volunteers were urgently needed, about 300,000 of them by the Union Army, and they weren't getting them, so it was therefore rapidly passed that volunteers amongst young working men would be drawn by lot. A system was rapidly created whereby all the young men in a particular area would have their names thrown into the inevitable large bowl and a certain number would be drawn out and the law said that they had to join the Union Army at that point, although they could buy themselves out for \$300. That system operated in three places, for about a week, and it finally caused very great trouble when in Monday 13 July 1863, they attempted to draw the young men's names for draft for the Union Army in New York itself.

The system is familiar, it is much the same as in the Bible; balls, with the names of proposed draftees on them, are put into a large container and a blindfolded man (you must imagine him on that Monday, in a room in New York with a small audience watching him) drawing out of a hat the names of young men who were then going to be called up and taken into the service. They started doing it at about 10 o'clock but they had advertised the fact that it was being done and where it was being done and (incredibly the authorities did not anticipate this at all), there was great popular resentment about this being operated in this way! A mob gathered outside the room where the names were being chosen and after about an hour, just after 11 o'clock, the mob attacked, gun fire, blazing torches were thrown through the windows, and the mob stormed in! The container itself which had the names in was set on fire and that fire spread. Two blocks of houses in New York were destroyed. The militia and the police were called out into the streets of New York, fully armed, but such was the power of the mob that the soldiers and the police were both overpowered and forced to retreat. There followed about four days of rioting on the streets of New York and rather more than a thousand deaths in what became known as the Draft Riots. Eventually the system was restored and draft continued albeit in a slightly modified form to be decided by lot.

It remained on the statue book and so when in 1917 the United States entered the war they had an actual army far less than they required. They had about 378,000 officers and men and their leaders estimated that they needed rather more than a million. So young men, between the ages of 21 and 30, were urged to register for the army and the assumption was that you would register and simply make yourself available; and indeed in the first days of registration over 9 million young men in the United States registered for the war but only about 680,000 were actually needed to bring the regular army up to strength. So a lottery was once more held, since it was already on the statute books. On 20 July 1917, in the senate office building, Newton Baker, the Minister for War, pulled from the inevitable large bowl small balls with the numbers which related to the names

of those people who were going to be called up. The same thing in the Second World War and it is interesting to see how, when we get to the Second World War, President Roosevelt recognised the religious significance of what he was doing, the lottery for the draft for the second world war was carried out like a religious ritual.

In 1940 President Roosevelt announced that he didn't want any trumpets or fanfares. This was, the President's phrase, "a solemn ritual". The same bowl was used to take out the names and numbers as had been used in the First World War. The balls inside the great container were stirred by a large wooden spoon, which had been cut from one of the rafters in Philadelphia's Independence Hall especially for the occasion - this is in the most rational country in the world - and when Secretary of State, Henry L. Simpson, put his hand in to this bowl, which had been stirred by the magic wood taken from the rafters, his eyes were covered by a strip of linen which had been cut from the covering of a chair used at the signing of the Declaration of Independence! By those means, during the Second World War, 16 million men were called up. A solemn ritual indeed, but a fascinatingly religious totemistic one, as well.

The same thing happened too with the Vietnam war. Though it had been proposed long before, it was in fact under President Nixon that the lottery was finally brought back for the draft to send young men over to the war in 1969. Young men were called up then by their birth dates, every young man who was in the United States went into the bowl and the birth dates were called out in order as their capsules or ball was picked from the big bowl, and roughly speaking, if your birth date was one that came out in the first 120 or so, you were pretty near certain to be called up and sent, not necessarily to Vietnam, but certainly to one of the theatres of war. If you were between 120 and 240 there was every possibility; and if you were in the latter part, if you were one of the last balls to be called out, between 240 and 366, you were pretty certain not to go. Incidentally the highest number ever got to in each year was in 1970 and that was a 195.

So well within the lifetimes of myself and many people in the room, lotteries and chance have been used for choosing between people who have to do unpleasant things as well as to offer them the mirage of great riches or sudden wealth, and it is fascinating to see how Governments do behave in that way. The United States, having used lotteries for its own purposes, became noticeably more tolerant of the great growth of gambling centres at places like Las Vegas, Reno and the like and, as with the religious ceremony of Roosevelt choosing the young men to go to the war, one might just note in passing, though it may seem a surprising thing to say, that even Las Vegas and Reno thought that perhaps by people that have never been there to be the most venal and materialistic of cities - there is a very high sense of religion. There are more churches in Las Vegas than a few, a tremendous amount of religious preaching going on side by side with the gambling places and they are all places where the sales of charms, tokens, good luck symbols and all the fetishistic things we were talking about last week predominate. You can create a nice little business by selling almost anything in Las Vegas which is thought to bring good luck - even selling a charm, a prayer or some kind of incantation which people say. I was looking the other day at some photographs of various people from the authorities visiting Las Vegas to renew licences and they were senators and

senate officials who were coming to look at how things were operated, they were all smiling, looking slightly disapproving or slightly anxious but their clothing was covered in good luck charms. They all had rabbits' feet, four leaf clovers and all the rest of it all over the place.

So countries shift dramatically in their attitudes and what they use lotteries for and what they permit them for. Those of you who have travelled much on the other side of what used to be called the Iron Curtain will know that in the Soviet Union, and its satellite countries, you will be assailed in the streets by the State lottery ticket sales people. It is an enormous business in those countries and the large car which used to be the most coveted prize is prominently displayed in the centre of Moscow behind some of the stands selling those tickets, the car being that which is coveted and plainly is not capable of being equally distributed amongst all the people who want one, so the social problem is taken away by making it the prize for a lottery or a game of chance. In Japan, housing is the great problem, so apartments in new apartment blocks are prizes in the State lottery and in some years there have been as many as ten thousand apartments which have been distributed by lot and chance because there plainly are not enough for all the people who want them in that particular way. Now here in England we have done all of these things, everything we have talked about in United States - except perhaps draft by lottery - and in Japan, we too have offered apartments as prizes at various times, and as in other countries, we've done our own very complex history of gambling. But the English taste tends to be less for games of pure chance than for betting upon actual events. We bet on the horses, on the dogs, and on sporting events, proportionally rather more than many of our neighbours, though some of them too bet very heavily on things like horse racing. Anybody who has looked at the operations of the Jockey Club in Hong Kong, for example, will be aware of what an enormous business that is. But the State here has found a series of fascinating accommodations for dealing with the complex of motives that the British have generally about gambling.

Some of it we run ourselves: the Premium Bond system, introduced by Prime Minister MacMillan, picks our numbers out regularly (Ernie - electronic random number indicator equipment), has been a successful means of State income. Less successful has been the 1976 legislation which allows local authorities to operate their own local authority lotteries. There are now only three or four local authorities which successfully and continuously run lotteries for their own local resources. But though we do that on a nation governmental level and upon a local governmental level it really is as nothing compared to the amount of money we spend on the totaliser and upon such crazes as Bingo, which a decade or two ago was certainly in every High Street in the land. So we do spend on the State's lotteries but somehow we think the others are generally more interesting and the amount of money which is spent on the football pools, the dogs, and the horses, is really quite prodigious. I find it extraordinary when people say we are not a gambling nation, like the United States is, to look at the fact that in the first year of the peace after the Second World War the British spent almost £100m on betting on the horses. Now when you recall that at that time the average wage was £6 a week and the population of the country was less than 50 million, you'll realise that people were, on average, shelling out quite a part of their total income on that one stream of gambling.

Now it is the case that each of us, on average at any rate if we average these figures out, spends about £40 a year on gambling. As I'm sure nobody in the room here ever gambles, that must mean that some people do indeed spend rather a lot. So what are the chances finally of sudden riches? Infinitesimal, of course! The careful promotion that is given to the occasional winners of very large sums of money mustn't blind us to the fact that there is always a huge majority of people who, however they chose to bet, lose. It doesn't seem to me that that is necessarily a very worrying thing because the objection is not I think best placed when you say, well they ought to realise that statistically they don't have much chance, because if my few remarks today have any substance at all, the statistics of it only count for a small part. What really fascinates us about gambling and the mirage of sudden wealth, what fascinates us about tinkering with fate and using the hand of God in the way that sometimes it has been used, is that for a moment we peep into the operation of chance which is at the heart of the universe. We are taking an almost religious interest in a very old idea which is 'destiny'. We are trying, for a moment, to understand something about destiny. We know the statistics are against us but we retain a bit of a hope about the fates.

I wanted to end simply by saying that this little talk today is the last of the series. It is also my last lecture as the Gresham Professor of Rhetoric. It has been a great honour for five years to occupy this chair. Next year there will be someone else to whom I hope you will give your attention as you have kindly done to me. I have very much enjoyed my time with Gresham College and I would like to thank the Council of that College for the honour they have done me in putting me here and to wish the College every possible success in the future.

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