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'The Devil's Interlude' in the South Sea Bubble

This article attempts to make sense of how contemporaries understood the first major financial crash in British history, the South Sea Bubble of 1720.[2] Crucial to this understanding, but hitherto overlooked, were ideas about the supernatural and the Devil in particular. It is unsurprising that diabolism and ideas about supernaturally orchestrated retribution have been ignored in the secondary literature; to think the Devil had any meaningful connection with a financial crash sits uncomfortably with our modern separation of secular high finance, and religious supernaturalism. Nonetheless, there is a wealth of unexplored evidence residing in poems, ballads, pamphlets, comedy plays, etchings and visual prints suggesting that the Devil was pivotal to how the populace dealt with this bewildering and historic incident.

In past scholarship on the Bubble, the triumvirate of W. R. Scott, P. G. M. Dickson and John Carswell developed variations of what came to be known as the 'gambling mania' argument to account for the Bubble's occurrence.[3] It was postulated that contemporaries became suddenly and temporarily obsessed, almost possessed, by high-risk, irrational investments on the stock market.[4] The argument was an attempt to reconcile functioning capital markets with financial bubbles – the latter seen as unseemly blots on the 'Age of Reason's' sunny landscape.[5] However, as economic historians have since shown, it is not necessary to explain a financial bubble by claiming that everyone has lost their wits.[6] Indeed the gambling mania argument wrongly employs the barrage of distressed contemporary comment – that is to say, people had gone

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[2] 'The South Sea Bubble' refers to the rapid increase in the price of the South Sea Company's share prices on the London stock market, and their eventual collapse in price, in the course of the summer and autumn months of 1720.

[3] W. R. Scott, *The Constitution and Finance of English, Scottish and Irish joint-stock companies to 1720*, Vol.1, (Cambridge: Cambridge University Press, 1912); P. G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Public Credit 1688-1756* (London: Macmillan, 1967); John Carswell, *The South Sea Bubble* (London: The Cresset Press, 1960).

[4] Helen J. Paul, *The South Sea Bubble: An Economic History of its Origins and Consequences* (London: Routledge, 2011).

[5] Carswell, Preface.

[6] Paul, p. 2.

momentarily mad – to try and explain actual economic events. Or as Julian Hoppit puts it, 'Too often contemporary lamentations of the Bubble have been taken at face value.'[7]

In more recent years, a variety of historians and economists have employed behavioural finance in order to dispel the gambling mania argument. Those contemporaries that actually invested are increasingly thought to have acted more-or-less reasonably on the basis of the limited financial information available to them in 1720, many riding the Bubble and making modest profits.[8] But for advocates of this argument, contemporary concerns about a 'mania' that originated during 1720 are conveniently airbrushed out of existence, because they are deemed unreliable to explain the economics of the Bubble. Alongside this, social historians have cast their own analytical eyes over the Bubble, unpicking the social composition of investors, and how this relates to the anxious prejudices like misogyny, anti-Semitism and xenophobia that erupted in London during 1720, but rarely if ever are these connected to economic events.[9] As a result, a noticeable division has developed in scholarship on the Bubble: economic historians tend to see the social material as irrelevant for their purposes, and social historians are unconcerned with the faceless economic intricacies. A sort of scholarly stalemate has thus evolved, each side preferring to stick to their own territory.

This artificial division between the cold economics and secular social fears, however, finds little basis in the supernaturally imbued eighteenth-century reality, which at the time of the Bubble made no real distinction between the two. This article aims to move beyond the false dichotomy that either prescribes an uncritical acceptance of contemporary 'maniacal' concerns as pre-packaged economic data, or – taking us to the other extreme – a wholesale dismissal of them altogether, as the economic historiography has lurched between. Instead, this article presents an alternative reading of *why* contemporaries landed on versions of the 'mania' explanation so pervasively in the first place, and aims to understand what it offered them as an appealing explanatory concept. It was the Devil's perceived ability to tantalise and seduce individuals into rapacious avarice – in an attempt to ruin the nation – during 1720, which helps us collapse the false historiographical distinction between economic woes and social anxieties. The structure of

[7] Julian Hoppit, 'The Myths of the South Sea Bubble', *Transactions of the Royal Historical Society*, 12(2002), p. 165.
[8] P. Garber, *Famous First Bubbles: the Fundamentals of Early Manias* (Cambridge, Mass.: MIT Press, 2001), p. 122; See Helen J. Paul, *The South Sea Bubble: An Economic History of its Origins and Consequences* (London: Routledge, 2011); Gary Shea, 'Financial Market Analysis Can Go Mad (In Search of Irrational Behaviour during the South Sea Bubble)', *The Economic History Review*, 60(Nov. 2007), 742-765.
[9] See Catherine Ingrassia, 'The Pleasure of Business and the Business of Pleasure: Gender, Credit and the South Sea Bubble', *Studies in Eighteenth Century Culture*, Vol. 24, (1995), 191-210; Melissa K. Downes, 'Ladies of Ill-Repute: The South Sea Bubble, The Caribbean, and The Jamaica Lady', *Studies in Eighteenth Century Culture*, 33(2004), 23-48.

this article can be summed up thus: first, to look at the long-standing suspicions surrounding the various new financial institutions and innovations that evolved in the late seventeenth and early eighteenth centuries prior to the Bubble. These include: the national debt; the stock market; paper money; Exchange Alley being a centre for financial dealings; and the shady practice of 'stockjobbing'.[10] Second, to examine the 'frenzied atmosphere' of 1720 – why contemporaries thought it occurred; how they rationalised the Bubble; and how South Sea company directors were the ideal diabolic scapegoats in the aftermath of the Bubble.

I

Before we can appreciate the Devil's role in the populace's understanding of the Bubble, it is crucial first to examine the suspicions and fears surrounding the evolving financial innovations of the late seventeenth and early eighteenth centuries, which would come to a head during 1720. In the years leading up to the Bubble, speculators were prospering and business was booming. From 1717 to 1720 investment in joint-stock companies had made a rapid jump from £20million to £50million.[11] Importantly however, in the early eighteenth century the stock market was perceived as a strange, new and often mysterious wealth generating or depleting entity.[12] With this rise in stock-market investment and trading activity, fears were stimulated about the ephemeral nature of paper money, the immorality of Exchange Alley and dubious practice of stockjobbing, along with the broader ramifications that such financial innovations might have for the domestic family unit, the public good, and religious morality.

One reoccurring concern was over the dematerialized and intangible nature that wealth took on.[13] Paper as a symbol for money was seen as problematic as Isaac Bickerstaff pointed out 'To Ashes paper may be burnt at Will/ But Coin, tho' melted, is of Value still'.[14] Fears circulated about the flimsiness and precariousness of paper, which was accredited with no real intrinsic value, unlike coinage. Worries existed over whether the value paper allegedly represented would fail to materialize in times of urgent need.[15] Further to these concerns, one balladeer commented

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[10] The practice of 'stockjobbing' will be examined in detail in the body of the article. It had a roomy and flexible definition in the early eighteenth century, but tended to denote tactical investments on the London stock market.
[11] Sandra Sherman, *Finance and Fictionality in the Early Eighteenth Century: Accounting for Defoe* (Cambridge: Cambridge University Press, 1996), p. 18.
[12] Paul, p. 7.
[13] Catherine Ingrassia, 'The Pleasure of Business and the Business of Pleasure: Gender, Credit and the South Sea Bubble', *Studies in Eighteenth Century Culture*, 24(1995), 191-210 (p. 192)
[14] Isaac Bickerstaff, *The modern postasters: or, directors no conjurors* (London: April, 1720), Epilogue.
[15] Sherman, p. 22.

'Of mighty Wealthy we vapour/ When all the riches that we boast/ Consist of scraps of paper'.[16] There were evidently anxieties regarding the notion that 'mighty wealth' – which had previously consisted of landed estates – could legitimately be reduced to a mere scrap of paper in the new system, and then potentially 'jobbed away' on the stock market.[17] Contemporaries thus feared the potential social dislocation; that great estates could be won and lost as though over a game of cards and hereditary wealth would switch hands almost overnight. The fear was that those clutching scraps of paper would usurp and displace those of the traditional family estates.[18]

Home to this elusive trading in (paper) stocks, was London's Exchange Alley. As Natasha Glaisyer has noted, Exchange Alley was an important site for the oral interchange between traders and merchants, many of whom were striking financial deals.[19] It must arguably have been a puzzling spectacle for the contemporary onlooker who was unversed in the nuances of the stock market, that someone could be made immensely rich, and also dreadfully poor merely through the powers and outcomes of these conversations. As pamphleteers pointed out, were these financial dealings not akin to sorcery, since the consequences from mere words could be so great?[20] Given this allusion, it is worth remembering that witchcraft – with its emphasis on the verbal incantation in causing physical harm, or 'maleficium' – was still a capital offence in England until 1736.[21] There was arguably some residual anxiety about the extreme financial consequences that mere verbal exchange could cause, and its disturbing parallels with sorcery.

There was additional disquiet about the seemingly untrammelled social mixing along the Exchange. As the contemporary Rufus Sherwood comments, 'Turks, Jews, Atheists and Infidels mingle there as if they were a kin to one another'.[22] Tom Brown also highlights the sexual exploits that were apparently negotiated along the Alley, 'Look! Yonder's a Jew treading upon an Italian's foot, to carry on a Sodomitical Intrigue, and bartering their Souls here, for Fire and Brimstone in another World'.[23] The image of 'bartering Souls' with its financial connotations, gives us a glimpse of how contemporaries associated the (thought to be) immoral activities of the Exchange with ideas of Hell and damnation, ('Fire and Brimstone in another World'), often-in satirical fashion.

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[16] Ned Ward, *A South-Sea Ballad, or, Merry remarks upon Exchange-Alley Bubbles* (London: 1720).
[17] Ingrassia, p. 193.
[18] Ibid., p. 193; Sherman p. 27.
[19] Natasha Glaisyer, *The Culture of Commerce in England 1660-1720* (Woodbridge: Royal Historical Society, 2006), p. 35.
[20] Alex Preda, 'In the Enchanted Grove: Financial Conversations and the Marketplace in England and France in the Eighteenth Century', *Journal of Historical Sociology*, 3(Sept. 2001), 276-307 (p. 291).
[21] Ian Bostridge, *Witchcraft and Its Transformations 1650-1750* (Oxford: Clarendon Press, 1997), p. 9.
[22] Rufus Sherwood, *South-Sea; or the Biters Bit. A Tragi-Comi-Pastoral Farce* (London:1720) pp. 15-16.
[23] Tom Brown, *Amusements Serious and Comical* (London: 1700); Glaisyer, p. 57.

Crucial to this perceived immorality of these newfangled financial innovations was 'stockjobbing'. Importantly, stockjobbing had an intriguingly capacious definition in the early eighteenth century. Whilst usually employed in a pejorative sense, it is unclear whether contemporaries were referring to the practices of a specific social group of stock-traders – and thus their identity as 'stockjobbers', or if it simply denoted any sort of investment in the stock market. Encapsulating this ambiguity was the author of *A Letter to a Conscientious Man* (1720), who remarked that speculative investment was 'a *Business* founded upon nothing that is solid, rational or honest, but merely upon artifice, Trick and Catch'.[24] The inherent flexibility of the term means we should probably allow for the specific usage to oscillate between these two extremes, dependent on the context and progress of the Bubble. For instance, in the aftermath of the Bubble, the political elite decried the evils of stockjobbing in the Commons debates, and yet the stock market remained very much open for business. Defining stockjobbing as a practice, rather than a fixed identity, then, was crucial for political figures since many had shares in the South Sea Company themselves, and had to explain away any attempt to profiteer from the Bubble.[25]

Aiming to explain why contemporaries viewed stockjobbing with such suspicion, Catherine Ingrassia argues that it placed men in a submissive culturally feminine position, because it forced them to depend on opinion, reputations and the approval of others.[26] This gendered interpretation of the practice, however, seems distinctly misjudged. As Craig Muldrew has so emphatically shown, the 'currency of reputation' was integral for *all* economic transactions between male *and* female actors, and was thus part and parcel or everyday economic life, dating back to the sixteenth century.[27] A more persuasive reading of contemporaries' prejudice against stockjobbing seems its consistent image and association with gambling. For contemporaries it was all too easy to see the similarities between the two, since neither produced tangible results, speed was of the essence when making bets or trades, and both give the possibility of large scale gains and losses.[28] Moreover, stockjobbing was thought to serve neither the public good, nor the domestic family, but only to satisfy the individual's 'endless Ambition of still growing rich' or of

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[24] *A Letter to a Conscientous Man* (London: 1720) p. 22.
[25] Paul, p. 90.
[26] Ingrassia, p. 195.
[27] Craig Muldrew, *The Economy of Obligation* (Basingstoke: Macmillan, 1998) pp. 2-3.
[28] Paul, p. 13.

'growing wealthy without trouble.'[29] Jonathan Swift for one viewed with alarm the interdependence of government revenue with large-scale gambling, and the terrifying idea that the whole charade rested on a magical bubble of confidence. He invited his readers to 'Conceive the whole Enchantment broke', and presciently envisage the distressing consequences.[30]

Before we examine the reactions and commentary produced about the Bubble itself, it is important to note that alongside the anxieties evoked by these new financial institutions and innovations, there existed debates about personal luxury and its benefits for society as a whole – and the ability of these innovations to produce such wealth. It would be highly selective to imply that opinion was wholly on the side of the naysayers. For example, texts like Bernard Mandeville's *The Fable of the Bees* (1714) stressed that spending money on frivolous luxuries was a benefit to the economy as a whole and therefore contributed to the public good.[31] Even in the late seventeenth century, the likes of John Houghton and Nicholas Barbon promoted the view that a general 'high living' provoked emulation amongst others so 'the cobbler is always endeavouring to live as well as the shoemaker… and thus the people grow rich, which is to the great advantage of a nation'.[32] Furthermore, the leap in investment in joint-stock companies in the years prior to the Bubble would certainly indicate that at the very least *some* of the population had enough confidence in the novel financial institutions to invest in them. Arguments were also circulating that to invest in these strange new financial systems was a patriotic act, since it contributed to the nation's war efforts, perhaps helping to placate the sorts of anxieties detailed above.[33] Moreover then, concerns and arms-length confidence in these financial innovations were never mutually exclusive for contemporaries. Indeed one could harbour latent fears about the ephemeral nature of paper money but also buy some stocks in the East India Company, for instance. It was this sort of cognitive dissonance about the novelty of such financial practices, which seems to best characterise how they were viewed in the years running up to the Bubble.

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[29] *The South Sea Ballad* (London: 1720); Elias Bockett, *The yea and nay stock-jobbers, or the 'change-Alley Quakers anatomiz'd.* (London: 1720).

[30] Jonathan Swift, quoted in Colin Nicholson, *Writing and the Rise of Finance: Capital Satires in the Early Eighteenth Century* (Cambridge: Cambridge University Press, 1994) pp. 102-3, 74.

[31] Bernard Mandeville, *The Fable of the Bees* (London: 1714).

[32] Nicholas Barbon, *A Discourse Shewing the Great Advantages that New-Buildings and the Enlarging of Towns and Cities Do Bring a Nation* (London: 1678); Paul Slack, 'The Politics of Consumption and England's Happiness in the Later Seventeenth Century', *The English Historical Review*, 122 (2007), 609-631 (p. 615).

[33] Julian Hoppit, 'The Myths of the South Sea Bubble', *Transactions of the Royal Historical Society*, 12(2002), 141-165 (p. 147).

II

As the South Sea Company's stock price rocketed in the summer of 1720, and then crashed in the autumn, commentary about the rapidly unfolding events was promptly pumped out. Whilst the 'gambling mania' argument has been more or less discounted and discarded by modern economic historians, there has been little attention given to *why* contemporaries thought this was a plausible explanation at the time.[34] We should remember that the Bubble predated the more sophisticated understanding of the economy that would later be developed by the likes of Adam Smith, Thomas Malthus and David Ricardo. The constitution of 'financial knowledge' was informed by an array of debates from usury to luxury, and at this particular moment in history, the supernatural.[35] There was a consensus amongst the populace that a fraud of some sort had taken place, but identifying the exact nature and extent of that fraud remained a mystery to the vast majority. Given that historians are still arguing over the intricate economics of the Bubble with the facts dispassionately laid in front of them, it is not surprising that contemporaries were unable to fully explain the Bubble at precisely the same moment that they attempting to deal with its consequences.[36] Since clinical economic explanations were a thing of the future, people in the eighteenth century were forced to rationalise the Bubble in some other way, and the crucial explanatory forces they landed on revolved around the supernatural, and the Devil in particular.

Different members of society implicitly and explicitly invoked the supernatural for various reasons, some rather disingenuously, others more authentically. The Chancellor of the Exchequer, John Aislabie – who was heavily involved in South Sea company subscriptions - commented

> It became difficult to govern it; and let those gentlemen that opened the floodgates wonder at the deluge that ensued […] it was not in one man's power, or in the power of the whole administration, to stop it, considering how the world was borne away by the torrent.[37]

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[34] Paul, p. 116.
[35] Ibid., p. 7.
[36] Ibid., p. 88.
[37] Parl. Hist. vii, speech of 20 July 1721, p. 885; Dickson, p. 102.

Aislabie's explanation deliberately implied a supernaturally governed torrent that man had unleashed and was powerless to anticipate or control, and smacks of a politician explaining away his complicity in the scam. If no man or administration could have possibly controlled the Bubble, then logically speaking, Aislabie was conveniently blame-free. Perhaps with less self-serving motives, General Ross – a member of the Secret Committee commissioned to investigate the crash – told the House of Commons that he 'had already discover'd a Train of the deepest Villainy and Fraud that Hell ever contriv'd to ruin a Nation'.[38] This idea that some malevolent supernatural force was contriving to ruin the nation became a key explanatory concept in rationalising the crash. Indeed, some two decades earlier Daniel Defoe tellingly noted that 'The Devil does Evil, we say, but it is for some *design*, either to seduce others, or as some Diviners say, from a principle of Enmity to his Maker'.[39] This notion of 'design' as elucidated by Defoe appears to have been a significant component in the contemporary understanding of the Devil. For many, the Bubble appeared to be precisely that sort of premeditated diabolic intervention – ruining those who had thought the stock market a means to acquire quick and easy wealth.

That the Devil was somehow implicated in the Bubble, and a member of the speculators, was a reappearing theme, as one ballad pointed out, 'Some rise, and some fall/ The Devil and all'.[40] Poems took on similar tone, commenting how 'Our Courtiers, Merchants, Mob and Citizens/ Run to Change Alley, Without Wit or Sence/ And there, like Men possest and frantic/ Subscribe and Buy at Rates Romantic'.[41] Men appeared to be acting as though possessed, frantically buying South Sea stocks at extortionate prices, as one playwright emphatically concluded 'This, is the Devil's interlude'.[42] Furthermore, the depiction of the Devil in William Hogarth's famous *The South Sea Scheme* (1721) (see Fig. 1) hacking the limbs off Fortune and tossing them into the baying crowd, illustrates the Devil to be ruthlessly and violently orchestrating proceedings. Hogarth's metaphor encapsulates events: each of the speculators desperately wants a piece of fortune in their own investments, even if this involves a close association with the Devil in their financial dealings. Moreover, the image of Fortune as limbless, deformed and powerless to the Devil's macabre machinations emphasises the lengths speculators were willing to pursue in order to secure their newfound wealth. This image found realisation in the deliberately paradoxical idea

[38] Paul, p. 90.
[39] Daniel Defoe, *An Essay Upon Projects* (London: 1697) pp. 247-8.
[40] *Exchange Alley: or, the Stock-jobber turn'd Gentleman; with the Humours of our Modern Projectors. A tragic-comical farce. Humbly inscrib'd to the Gentleman daily attending at Jonathon's Coffee-House* (London: 1720).
[41] Elias Bockett, *The yea and nay stock-jobbers, or the 'change-Alley Quakers anatomiz'd* (London: 1720), p. 6.
[42] Bickerstaff, Epilogue.

of a 'Devilish fortune', which contemporaries promptly landed upon.[43] This stemmed partially from the widely held notion that for every win on the stock market, there had to be someone losing elsewhere in order to fund one's newfound wealth.[44]

Figure 1: *The South Sea Scheme* by William Hogarth (1721) Courtesy of the British Museum

Those harbouring concerns about the new financial institutions and innovations took the Bubble as the ultimate vindication of their worries, and as a moment of divine retribution for those engaging in such shady financial activities. On the initial fretfulness over dematerialized wealth, Thomas D'Urfey wrote 'Hubble Bubble, all is smoke/ Hubble Bubble, all is broke/ Farewell your Houses, Lands and Flocks/ For all you have is now in Stocks'.[45] One poetic correspondence to *Read's Weekly Journal* wrote in January 1721 of having come 'just from Change

43 Ibid., p. 23.
44 Hoppit, p. 149.
45 Thomas D'Urfey, *The Hubble Bubble* (London: 1720).

Alley, harrass'd, come/ To find, if possible, relief at home… I slapt me down in elbow chair/ Where in slumber soon I fell/ And dreamt the place was turn'd to Hell/ Jonathan's was Satan's Palace'.[46] As demonstrated, the geographic settings of financial dealings – the Exchange and the coffeehouses – were revealingly imbued with Hell-like significance. In addition, existing prejudices against stockjobbing were radicalized – it promptly became reified as demonic activity. For instance, one of the contemporary South Sea Bubble playing cards reads 'A set of Jobbers rather Knaves than Fools/ Meet and Contrive to cheat their Principals' with an ominous demon overlooking proceedings, as though as a guiding force.[47] This visual representation can be further substantiated by Robert Harley, the Earl of Oxford, who was told by his son in June 1720 that 'the demon of stockjobbing is the genius of the place. This fills all hearts, tongues and thoughts, and nothing is so like Bedlam as the present humour which has seized all parties.'[48] The idea that some sort of lunacy or delusion had fallen on everyone in turn promoted the idea that moral codes had been temporarily thrown aside. As one poem succinctly put it 'Brother cheats brother/ And Knaves and Fools trick one another,' nother wrote 'Men prey on men, and all Prey are design'd.'[49] Bickerstaff persisted, 'lay aside humility, if you intend to thrive in the English territories, and let Conceit, hypocrisy and Pride take place'.[50] It seems likely that what we now consider as 'sound stock-trading practice' in the twenty first century, tended to flout broader moral codes in the early eighteenth century, which perhaps impacts on economic historians' thinking that no maniacal gambling frenzy ever existed.[51] The contemporaneous view seemed unequivocal: traditional morality had been discarded, men were transfixed with the acquisition of cheap and easy wealth, and were misled and seduced by the Devil – who was orchestrating events and helping the prices get higher and higher.

Explaining the actual stock market crash of autumn 1720 as an act of divine retribution for people's collective sin of manic avarice was also a remarkably common conclusion. As one female speculator Jane Bulkely wrote in her correspondence to Jane Bonnell:

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46 *Read's Weekly Journal*, (14 January 1721); Mark Hallett, *The Spectacle of Difference: Graphic Satire in the Age of Hogarth* (New Haven: Yale University Press, 1999), p. 59.
47 *South Sea Bubble Playing Cards* (Harvard University: Baker Library, Harvard Business School)
48 HMC, *The Manuscripts of His Grace the Duke of Portland*, v (1899), p. 599; Hoppit, p. 145.
49 Bockett, p. 7; Bickerstaff, Epilogue.
50 Ibid., p. 4.
51 Paul, p. 22.

> I hope you have not suffered more in your own fortune than you can well spare […] For my part I think people were infatuated at that time; we lay the faults upon others, but I think it was a delusion brought upon us for our sin.[52]

Or as Alexander Pope similarly noted

> Methinks God has punish'd the avaritious as he often punishes sinners, in their own way, in the very sin itself: the thirst of gain was their crime, that thirst continued became their punishment and ruin.[53]

As both Bulkely and Pope elucidate – albeit in subtly different ways – the plummeting of confidence and the crash came to be seen by some as a retributive act of God, which was in turn a corollary of the speculators' sin of avarice. On the evidence marshalled above, this sin was a consequence of the Devil's seduction, and malevolent orchestrations. On the basis of this contemporary view then, it would have seemed unambiguously providential that bubonic plague had broken out just across the channel in France in the autumn of 1720.[54] It seems inescapable then, that contemporaries were not concerned with uncovering economic truths, so much as reading supernatural significance into events as a means to try and explain a truly bewildering incident. Such an explanation had an almost therapeutic appeal, since it placed the initiative of both seduction and retribution in the supernatural, celestial realm. If the South Sea Bubble became an epic, supernatural struggle between God and the Devil, then human beings became mere pawns in a far grander scheme, powerless to intervene or change the course of events.

III

There has been a considerable amount of excellent scholarship written on the social side of the South Sea Bubble. It has become commonplace to argue that the Bubble caused anxieties about various groups and minorities to be voiced: Jews were vilified; aristocratic women and prostitutes became objects of satire; foreigners were insulted. As various scholars have shown, the Bubble

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[52] National Library of Ireland, PC 435, J[ane] B[ulkely] to Jane Bonnell, 23 June 1721; Anne Laurence, 'Women Investors, 'that nasty south sea affair' and the Rage to Speculate in Early Eighteenth Century England', *Accounting, Business and Financial History*, 16 (2006), 245-264 (p. 260).
[53] Alexander Pope, quoted in Nicholson, p. 66.
[54] Hoppit, p. 162.

was a moment of anxious preoccupation with British identity being subverted or threatened.[55] I do not intend to reproduce any of this work here, or to try and criticise it in any fundamental sense, but rather to show how the arguments proposed above add a further dimension to our understanding of the Bubble. In her recent book, Helen Paul comments that 'the social history has little to do with the financial history' of the Bubble.[56] Hitherto, this has certainly appeared to be the case. But as I have sought to demonstrate, a substantial and unexplored proportion of the social side of events were, crucially, *(mis)interpretations* of those financial events embedded in a supernatural belief system. Once we understand and accept that what we might consider to be completely separate fields of thought – finance and the supernatural – were in fact intrinsically linked during the Bubble, then this offers a bridge to connect the financial and social history. This bridge can be reinforced when it becomes apparent that the supernatural and diabolical reading of events that I have sketched out above, were in turn linked to the social anxieties that previous scholars have detailed so well.

The anti-Semitism latent in much of the commentary produced during the Bubble in particular, appeared to have certain diabolical features in contemporaries' minds. In the South Sea Bubble playing cards we see a Jewish broker with a demon hovering by his elbow, implying that the pair are in cahoots in their financial dealings. Another card depicts a Jew being ducked in a horse pond, which conjures up images of witchcraft, whereby it was thought the natural element of water would reject them and thus their identity as a witch would be revealed.[57] Similarly, anxieties about gender often had a diabolic and magical strand to them. *The Battle of the Bubbles* (1720) makes an explicit link between the figure of 'Oceana' – the feminized emblem of the circulation of trade and speculation – with 'Cabbalistical Rods', the 'Art of Amulets', 'Charms', learning the 'hellish Artes' from her sister, and crucially the need to 'deny the Devil'.[58] The consistent invocation of the Devil and dubious magical practices within the anti-Semitic and gender related anxieties shows diabolism to be a remarkably expansive cultural force. We might speculate that the Devil was the binding conceptual force between these various anxieties, perhaps stemming from the initial diabolical reading of events as outlined above.

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[55] See in particular: Catherine Ingrassia, 'The Pleasure of Business and the Business of Pleasure: Gender, Credit and the South Sea Bubble', *Studies in Eighteenth Century Culture*, 24(1995), 191-210; Anne Laurence, 'Women Investors, 'that nasty south sea affair' and the Rage to Speculate in Early Eighteenth Century England'*, Accounting, Business and Financial History*, 16 (2006), 245-264.
[56] Paul, p. 88.
[57] Paul, p. 94; *South Sea Bubble Play Cards* (Historical Collections, Harvard Business School)
[58] *The Battle of the Bubbles* (London: 1720) pp. 15-16; Melissa K. Downes, 'Ladies of Ill-Repute: The South Sea Bubble, The Caribbean, and The Jamaica Lady', *Studies in Eighteenth Century Culture*, 33 (2004), 23-48 (p. 30).

The process of scapegoating the South Sea Company directors in the aftermath of the crash – to deflect the public's attention away from the rest of the establishment – was again linked to the Devil and fulfilled a similarly therapeutic role.[59] *Lucipher's new Row-Barge* (1721) (see Fig. 2) depicts the cashier of the South Sea Company, Robert Knight, surrounded by demons being rowed into the open jaws of Hell. This specific satirical woodcut was a great commercial success; the print was republished for consecutive weeks due to its popularity.[60] Knight's positioning on a heap of coins – his proceeds from the Bubble – with the words 'The Glory of the Wicked' emblazoned above them, seems to be further evidence of the paradoxical idea of an inglorious 'devilish fortune', as detailed above. The demon on the right, speaking into Knight's left ear, advises 'Except none, Cheat all' – a now familiar image of the Devil's minions seducing and orchestrating the sin of those implicated in the Bubble. It seems Knight was a particularly successful scapegoat not only because he shifted blame off the Establishment, but also because he served to mollify feelings of guilt and complicity in the 'frenzy' amongst the general populace. Knight's stark association with the Devil made him the important object of people's moralising contempt; he was a useful tool to detract from the collective guilt felt by those swept up in the frenzy.

[59] Paul, p. 51.
[60] Hallett, pp. 68-9.

Figure 2: *Lucipher's new Row-Barge* (1721) Courtesy of the British Museum

IV

It seems, then, that the Devil's conceptual flexibility to seduce anyone at any time – for the grander scheme of ruining the nation – gained a currency amongst contemporaries during the South Sea Bubble that has been overlooked in modern scholarship. This gives some indication of the research waiting to be undertaken examining the contemporary interconnectedness between the celestial and financial realms, during Britain's period of nascent financial development in the late seventeenth and early eighteenth centuries.

Invoking the supernatural was a means for people to understand the seemingly inexplicable, and makes greater sense when placed in the correct context of deep suspicion and latent fear surrounding the newfangled financial institutions in the years leading up to the Bubble. I have attempted to establish a potential bridge between the social and financial historiography, which rested above all on contemporaries' consistent and widespread *mis*interpretation*s* of the economic 'reality'. It was precisely this misreading of events that proved an immensely powerful explanatory tool. This not only adds a further dimension to our understanding of the South Sea Bubble, but arguably shows how contemporaries' anxieties about deviant and marginal groups had roots in their diabolical reading of financial events. It has long been assumed the Bubble was something of a morality tale for contemporaries – this article has fleshed out the nature and vicissitudes of that tale, and why it was so compellingly significant for the populace. To the modern mind, it may well seem absurd to connect the Devil with a financial crash. But we surely need to scrutinize the extent to which we accept economic 'truths' on trust alone in the twenty first century, before we cast aspersions on the explanations advanced by our eighteenth century ancestors.

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