

With the end of the religious and political conflicts that dominated the previous hundred years, the start of the 18th Century saw philanthropic activity spread in both the Old and New Worlds. Rather than demographic pressures or political turbulence, this second golden age of philanthropy was driven by three 'revolutions' of ideas: new thinking about commerce and industry, religious revival, and the rise of science and reason. These intellectual forces made up what the historian Gertrude Himmelfarb has called the "British Enlightenment" and "an age of benevolence".

With peace, the British began to get on with trading and making money at the start of the 18th century. The great economic innovation of the age was the joint-stock company as a way of pooling capital to support entrepreneurs in commercial projects. This economic revolution was reflected in the philanthropy of the age.

One of the people who profited most from the new joint stock capitalism was Thomas Guy (1664/5-1724) - the godfather of all hedge fund philanthropists. A bookseller by trade, he would probably have remained in comfortable mercantile obscurity were it not for some large and extremely well timed investments in the junk bonds of the day, seamen's pay tickets, which he converted into shares in the South Sea Company and then sold before this, the original stock bubble, burst in 1720. A certain curmudgeonliness and vindictiveness had earned Guy the reputation of a miser, despite funding an almshouse and town hall in Tamworth, the town for which he had been the MP. However, in 1721 he gave money for a new building for St. Thomas's hospital in London and, on his death in 1724, left £200,000 for the foundation of a new hospital that bears his name.

Guy's hospital, founded on the wealth of one individual benefactor, was something of an exception to the general boom in hospital creation in the 18th century. But the need was great, as Roy Porter records in his history of medicine: "In London, only St Thomas's, St Bartholomew's and Bethlem Hospital.....had survived the Reformation and, by European standards, England in 1700 was exceptionally ill-endowed with hospitals and sister institutions like orphanages." An emergent middle class applied the joint stock principle to provide a source of finance for a wave of new foundations: Westminster (1719), St George's (1733), Winchester (1736), London (1740) and Middlesex (1746) were all funded by subscriptions. In Ireland in 1745, the Dublin Lying-In Hospital was opened, funded by subscription. In the New World, private subscription was used to found the Pennsylvania General Hospital in 1751 in an early public-private partnership. These subscriptions should not be confused with the small donations of modern mass charity. Subscriptions were still significant sums of money affordable only to a wealthy few in the new commercial classes.

Subscription was also used to support the great social entrepreneur of the era, Thomas Coram (c.1668-1751). Coram spent his early years in New England building ships, but it was the horror of seeing abandoned children dead and dying in the streets of London that inspired him to establish London's Foundling Hospital. Foundling hospitals had existed in parts of Europe since the 7th or 8th centuries and London's orphans had traditionally been cared for at Christ's Hospital, but the illegitimate had been banned from there in the 17th century. In Coram's time there was no provision for these children, many of whose mothers were drawn by the anonymity of the city. But he was no sentimentalist. His experience in the New World had made him a dedicated mercantilist - he viewed the poor as wasted labour that could be put to productive use to the benefit of the nation. As one commentator of the time, John Bellers, put it: 'Every Able Industrious Labourer, that is capable to have Children, who so Untimely Dies, may be accounted Two Hundred Pound Loss to the Kingdom.'

Coram wanted the hospital to be a source of artisans for the new colonies, including his own settlement in Nova Scotia. Receiving a Royal Charter in 1739 to establish the Hospital, Coram funded his work through donations from the wealthy. Many of his supporters were women (his original petition to the King included 7 duchesses, 8 countesses and 5 baronesses), apparently a tribute to the old sea captain's rugged charm. Celebrities of the time also jumped on the Foundling Museum bandwagon - Queen Caroline's patronage helped with the fundraising. Later on, the artist William Hogarth designed the rather smart school uniforms and the composer George Handel organised charity concerts. Both sat on the board of governors. But Coram's gifts as an entrepreneur and fundraiser did not pass well into management. His willingness to criticise others and fruity language drove the Hospital's trustees to eject him from the board in 1742, three years before the Hospital opened its doors. A cautionary tale for all social entrepreneurs.

From its opening, the hospital was overwhelmed by demand, so that admission was decided by drawing lots and, even though 40% of the children admitted still died, this was still a massive improvement on what went before. Parliament bought into the mercantilist logic behind saving young lives and, in 1756, granted the Hospital money to

extend its work, requiring it to take on responsibility for all foundlings in London. But, with state funding agreed, private donors saw little need to keep up their support. As the hospital's resources dwindled, so it couldn't keep pace with demand. In 1760 the governors had to petition Parliament to be freed of this obligation that they couldn't meet.

It is hard to over-estimate Coram's influence. Simon Schama's assessment is that "this was the first time that men and women who belonged to the world of the commercial economy - tradesmen, merchants and bankers - came together with well-known writers, artists and sculptors in a campaign of conscience to attack a notorious social evil." The Dictionary of National Biography claims that he provided "...the template for eighteenth-century philanthropy of a secular foundation modelled on the joint-stock company, of which the Foundling Hospital was the first and finest expression."

A later donor to the Coram hospital and member of the board of governors was Jonas Hanway (1712-1786). A merchant in the Russia Company, he too was motivated to charity by mercantilist concerns about national productivity. This led him, in 1756, to convene a group of merchants to found the Marine Society, which sought to boost recruitment in the navy by providing free clothing to seamen. Similar concerns also motivated his donations to the Troop Society, providing boots and uniforms to soldiers in Germany and North America, and the Magdalen Hospital for Penitent Prostitutes.

As well as applying the techniques of commerce to philanthropy or using the fruits of commerce to finance philanthropy, this period also saw a growing interest in commercial activity as philanthropy. A pioneer in this area, Thomas Firmin, lived at the end of the 17th century (1632-97). A wealthy textile manufacturer, he shared the traditional scepticism about almsgiving but did not see idleness as necessarily the fault of the poor. To meet the need for productive work he established and subsidised a workhouse in London called 'Little Britain' where children could earn wages to supplement the family income and receive some limited vocational schooling. Sales from the factory subsidised the school and supporters bought the factory's linen - perhaps the first ever ethical product. The effects, however, were perhaps not as intended - the schooling was pretty rudimentary and the children's (subsidised) labour may have simply driven down the wages paid to their parents.

Another commercial but less paternalistic solution to poverty was an attempt to import the Monte di Pietà model from Italy. The 'Mounts of Piety', as it was known in English, was founded in 1719. Unfortunately the scheme soon collapsed when two of the managers ran off with nearly half a million pounds. England's flirtation with microfinance was over.

Perhaps the most famous figure in this second golden age was William Wilberforce (1759-1833), who led the campaign to abolish the slave trade. Wilberforce never left the Church of England but, as an Evangelical, shared the spiritual zeal of dissenting religious groups such as the Puritans, Quakers, Pietists, Methodists and Brethren. These dissenters were active across Europe, criticising the established Protestant churches for spending too much effort on theological disputes, at the expense of the pastoral needs of their flocks. They also carried their words into action, injecting money and ideas into the world of philanthropy. Wilberforce and a group of his fellow 'evangelicals', many of them wealthy businessmen, formed the so-called Clapham Sect. They were assiduous in giving their money away. He was a personal supporter of the Evangelical anti-poverty activist Hannah More, giving away about a quarter of his income to this and other causes.

The leading expression of this new, energetic religious force in England was the Society for Promotion of Christian Knowledge. Founded in 1698, the SPCK mobilised the new wealthy middle class from commerce and trade to address social problems. The first priority for the Society was to educate the poor in the ways of godly discipline to deal with the vice and intemperance that they saw as the root cause of society's ills. By the mid-eighteenth century they were providing free schooling to around 30,000 children. But the project waned in the face of donor fatigue at the size of the challenge and new ideas to deal with child poverty.

Beginning in Bristol in 1696, the workhouse movement was also supported by the Society, winning legislation in 1723 to allow parishes to establish their own workhouses. The principles of putting the poor to work and using the revenues to fund the relief provided by the workhouses was attractive to those motivated by their godly duty to hard work and thrift, echoing the earlier ideas of Thomas Firmin.

By the end of the 18th century Evangelicals and other Nonconformists were criticised by radicals for their social conservatism and acceptance of class differences, and their charitable efforts to redeem the poor through schooling and the workhouse were running out of steam. The battle against the slave trade reinvigorated the movement.

Wilberforce had entered the House of Commons in the early 1780s, living off inherited wealth from his family's merchant interests. After a personal spiritual revival in 1785, he was inspired by his friend the Prime Minister, William Pitt the Younger, to adopt the anti slave trade cause. The Abolition Society was established in 1787 and in 1791 Wilberforce and friends founded the Sierra Leone Company to resettle slaves on the west coast of Africa. This ambitious scheme - in effect, creating a country that they hoped would become a model for Africa - puts in perspective some of the supposedly grand schemes of today's philanthropists. Alas, the scheme was not a success. The unhappy colony struggled on until 1808 when it was passed to the British government.

Wilberforce combined pragmatic political instincts, on the one hand, ensuring he never alienated Pitt even when forced to support repressive legislation in the 1790s, with a personal faith on the other, which led him to advance spiritual renewal as a cure for the nation's ills, and to argue for the addition of a clause on the promulgation of Christianity into the charter of the East India Company.

The odds of success rose in 1801 when the union between Britain and Ireland brought in a new group of Irish MPs who were more favourable to abolition. Wilberforce finally triumphed in 1807 with the ending of Britain's involvement in the slave trade.

'I have made Quacks of all denominations my enemies' was the proud claim of the physician William Hawes (1736-1808), the driving force behind the foundation of the Humane Society in 1776. Hawes had taken a particular interest in the causes of asphyxia and, as the founding articles of the Society framed it, 'for affording immediate relief to persons apparently dead from drowning'. Medical practitioners in Amsterdam had found that lives could be saved by timely resuscitation, which Hawes demonstrated by offering rewards for bodies fished out of the Thames on which he could practise his techniques.

The Humane Society typified the spirit of an age where enquiry through reason apparently offered the solution to many of the world's ills. In the 17th century men like Robert Boyle and Robert Hooke applied empirical methods to the natural world to seek the truth through experimentation. Both were involved in the founding of the Royal Society in 1660, which remains Britain's foremost scientific society and whose empirical approach is summed up by its motto *Nullius in Verba*, 'on the words of no one'. The Royal Society for the Encouragement of Arts, Manufacture and Commerce was founded in 1754 with a more practical bent - offering prizes for practical achievements (forerunners of today's X-prizes). The Royal Academy of Arts followed in 1768.

This spirit of enquiry was particularly strong in the field of medicine. In the 18th century the Royal physician John Radcliffe (1650-1714) left the bulk of his estate to University College, Oxford to pay for a science library (the Radcliffe Camera that is now part of the Bodleian Library) as well as the Radcliffe Infirmary and the Radcliffe Observatory. New hospitals were founded in this period to investigate specific diseases. Historically, hospitals had largely provided shelter and nourishment, but new institutions such as the Lock Hospital, specialising in venereal disease (1746) were inspired by the new spirit of enquiry into scientific cures. Indeed, the historian Benjamin Kirkman Gray describes the discovery of the importance of hygiene and the application of whitewash in hospitals as "the most hopeful fact in the philanthropic history of the [18th] century".

In 1687 the English College of Physicians resolve by unanimous vote "that all members of the College, whether fellows, candidates, or licenciates, shou'd give their advice gratis to all their sick neighbouring poor, when desir'd, within the City of London, or seven miles round." This outpouring of medical beneficence may be the earliest example of cynically motivated corporate social responsibility - the physicians needed to win back business that was being eroded by competition from Apothecaries.

The Great Poverty Debate

The 18th century was a remarkable period of invention, especially in Britain. But, as the century drew to an end, a creeping doubt began to grow about the mission of philanthropy. Was helping the poor simply perpetuating the

problem by creating more hungry mouths to feed? How do you help the poor without destroying their incentives to work and become self-reliant?

The first problem was that even though the resources of the new commerce, the vigour of religious revival and the insights of scientific reason were applied to society's ills, despite some successes they were found wanting. While small-scale success was possible, even the new subscription-based charity couldn't muster the resources to address the problems of poverty. The state was becoming more active in social provision and was increasingly the object of lobbying by the 'social entrepreneurs' of the day to improve the quality of care offered under the Poor Law. The merchant and philanthropist Jonas Hanway showed that St Luke's parish poorhouse had taken in 53 children between 1750 and 1755 and that none had survived. He successfully pursued legislation, first to register abandoned children being cared for by parishes in London, and, second, to have them cared for outside London, where they had a better chance of survival.

Second, the purpose of philanthropy was under question. Throughout the 18th century the efforts of the philanthropists met with as much criticism and cynicism as praise. The polemicist Daniel Defoe (1661-1731), best known today as the author of *Robinson Crusoe*, was moved to write a pamphlet *Giving Alms No Charity* that argued against public measures to relieve poverty caused by 'luxury, sloth, and pride'. And Doctor Samuel Johnson (1709-1784), who compiled the first English dictionary, although personally an inveterate almsgiver, feared the impact of charity on the poor's work ethic when he made this early defence of trickle-down economics: "You cannot spend money in luxury without doing good to the poor. Nay, you do more good to them by spending it in luxury than by giving it; for by spending it in luxury you make them exert industry, whereas by giving it, you keep them idle."

In Europe, fear of popular unrest inspired more liberal attitudes to the poor. Turgot, Baron de Laune (1727-1781) managed the ailing finances of Louis XVI from 1774-76, as public demonstrations about grain prices spread. He initiated a Commission on Mendicancy to look at the role of work as a benefit for the poor or as a punishment. He was concerned about stigmatising labour as a form of punishment, preferring to expand public works as a response to poverty as an economic rather than moral problem. In accordance with these views, by the time Turgot left office in 1776, he had shut down most of the depots de mendicite where beggars were locked up under royal authority.

Fear of growing radicalism among the masses on the back of poor harvests and rising food prices forced Britain to embrace some of Turgot's message in passing Gilbert's Act of 1782. This legislation excluded the able-bodied from the poor house, making them eligible for 'outdoor relief' to supplement their agricultural wages, the sum depending on the price of bread and the size of the labourer's family. This approach was expanded after 1795 through what became known as the Speenhamland system, after the parish where it was piloted.

A great blow to this liberalisation was struck by from the Rev Thomas Malthus (1766-1834), whose *Essay on the Principle of Population* of 1798 asked what the implications of feeding the poor would be. Malthus saw demand for food outstripping supply as the population continued to grow and called for urgent action to manage the problem. In Malthus's view, supporting the poor was just perpetuating unsustainable population growth and he campaigned against both the Poor Law and private charity. The economist David Ricardo joined the attack, on the grounds that handouts to the poor under the Speenhamland system were undermining wages. The conservative Edmund Burke was willing to permit charitable assistance to the poor but was implacably opposed to government assistance to the poor, as set out in *Thoughts and Details on Scarcity*. In a 1798 pamphlet, *Pauper Management Improved*, the utilitarian philosopher, Jeremy Bentham, defended the Poor Law itself: "Shut up the Temple of public charity to promote benevolence! - shut up the law courts then, to promote Justice." But he, too, conceded that tough sanctions were needed to discourage the poor from idleness.

The problem of a punitive approach to poverty was captured eloquently by the Radical Tom Paine: "There is something wrong in a system of government when old men are sent to the workhouse and young men to the gallows. External appearances in such countries would seem to testify to total happiness; but, hidden from the eye of the average observer, there is a mass of poor who can expect little more than to die of hunger, and in infamy. Paupers enter life already bearing marks of their destiny; we cannot punish them until we find a cure for poverty."

The great debate about poverty rumbled on into the 19th century essentially unresolved as public policy swung between more punitive approaches to drive the poor to be more productive, and more liberal approaches designed to avert popular discontent. The second golden age of philanthropy may have run out of steam on its own as the

excitement around the new ideas of the era waned. But the broad questioning of the merit of supporting the poor, irrespective of whether from public or private sources, dented the confidence of the philanthropists.