

Ghosts that shed light on Dickens' own finances

Charles Dickens' novels endlessly explore the subject of wealth. His bank accounts are as revealing, explains *Sam Brodbeck*

Money's power both to corrupt and to liberate permeates the novels of Charles Dickens. From Mr Micawber's famous recipe for happiness ("income exceeding expenditure") in *David Copperfield*, to *Blark House's* description of the "old pagan's god" (compound interest), money is as much a presence as the unforgettable characters Pip or Oliver Twist.

The prolific novelist was fascinated by the effects on Victorian life of wealth, class, inheritance and tax. Dickens' journalism and fiction are filled with cautionary tales of poor financial decisions – but just how good was the author with his own money?

Scurred by his father's incarceration in Marshalsea, London's infamous debtors' prison, Dickens was excellent at managing his outgoings (he left nearly £10m in today's money) and had a reputation among publishers as a tough negotiator. His tenacity was such that he was known to break the terms of contracts if a story was selling well, and demand more money from distributors.

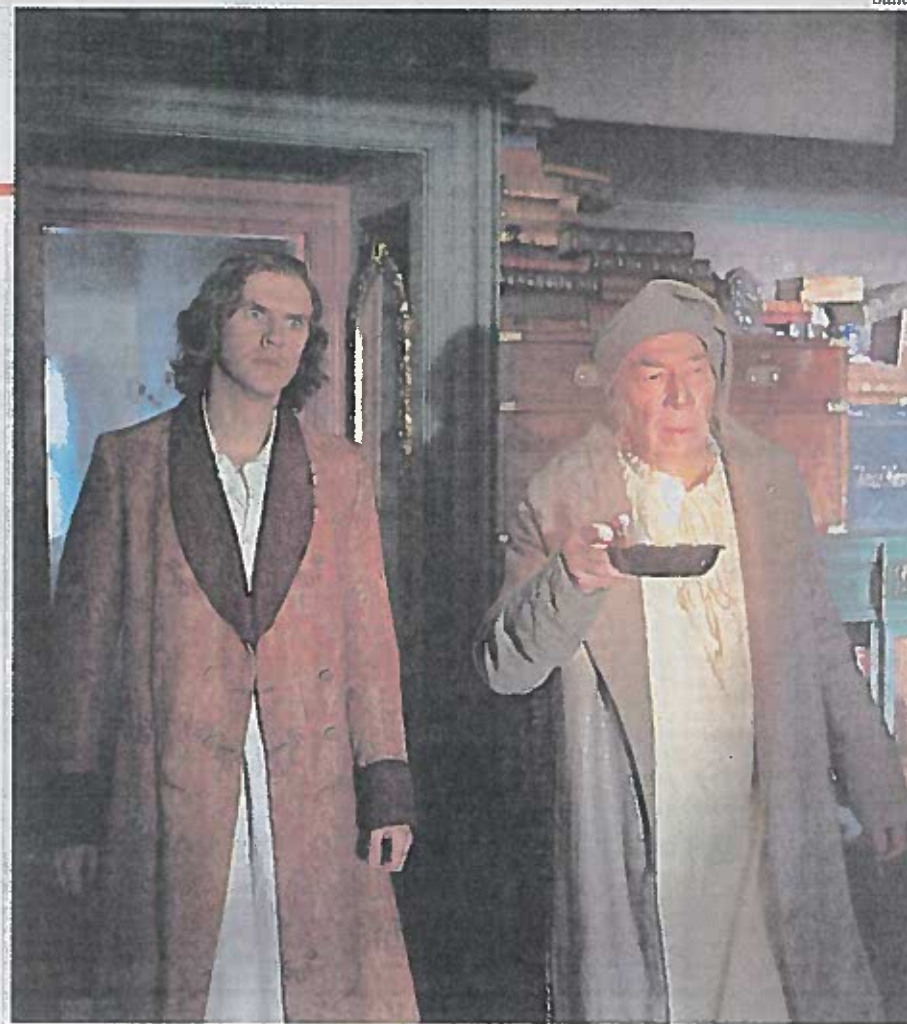
He held an account at Coutts, the Queen's bank (now part of RBS), and was fastidious in recording his income and spending. Writing was

his earnings were bolstered by dividends from investments in stocks, coupons on government bonds and rent from property. Dickens scholar Leon Litvack, of Queen's University Belfast, has pored over years of detailed bank accounts for *Telegraph Money* to shine a light on the author's finances.

"He was pretty wealthy by the time he died. He wasn't a huge landowner, but he lived well, had a country mansion and travelled," said Dr Litvack, who has focused on accounts relating to June 1868.

This gives a snapshot of Dickens' finances two years before he died at the age of 58.

"You could say Dickens had a balanced portfolio," Dr Litvack said.



Ebenezer Scrooge (above, on right, from *The Man Who Invented Christmas*); right, an 1869 cheque paid by Dickens, left

"The accounts are particularly interesting for this month when you consider that he made more money from his public readings and investments than he did from the sales of his books."

Bankrupt children, donations for the blind and a secret lover

Dickens' bank balance fluctuated. In June 1868 it stood at around £33,000 (about £3.4m in today's money) but fell to £20,600 (£2.1m) a year later.

Dickens certainly needed lots of cash, as the accounts reveal his many costs, including payments to staff, children, a cricket club, charity – and a mistress he had installed in a house in south London.

In all, he spent £1,023, 12s, 4d (£106,200) during the month. Charity was his biggest expense, incurred in printing 250 special copies of *The Old Curiosity Shop*, Dickens' story of a

part of the 19th century, were a personal fascination.

In 1868 he owned a mixture of stocks and bonds, including shares in the Great Indian Peninsula Railway company worth £3,000 (£310,000) and yielding about 5pc – or £15,500 in today's money. The British government guaranteed investments in Indian railways at the time. In addition, he earned interest on £4,000 (£415,000) of bonds issued by the operators of the Russian Orlov-Vitebsk railway.

Dickens also received income from another staple of Victorian portfolios, consolidated annuities known as "consols". More like bonds than modern annuities, these had no redemption date but the government retained the option to call them in. For around two centuries they formed the core secure holding of wealthy Britons. In 1860 Dickens

after her grandfather builds up huge debts with a grasping moneylender. The copies were produced with embossed letters so they could be read by patients at an institute for the blind in America. There are several payments to impoverished friends and £150 (£15,500) for Dickens' ex-wife Catherine, from whom he had separated a decade earlier. He paid her this sum four times a year.

Cash is also sent to several of his many children, including £50 (£5,200) to his son Charley, whose paper business was in the process of going bust. A Miss Thomas – now known to be the code name of Ellen Ternan, Dickens' mistress – receives two payments during June totalling £60 (£6,200). The bulk of this relates to the housekeeping bill at Windsor Lodge, her home in Peckham.

Books, bonds and Indian railways Like many middle and upper-class Victorians, Dickens had substantial investments in fairly conservative assets. Railways – which spread quickly

not unlike today's newspaper money sections. "He wrote, and commissioned, hundreds of articles about finance," explained the University of Buckingham's Dr John Drew, an expert in Dickens' journalism. "He was not quite Martin Lewis (founder of MoneySavingExpert) but he did commission articles for his less well-off readers about savings, banks and post office accounts."

One of his regulator contributors, Malcolm Meason, was an expert on stock market bubbles and, for a time, a correspondent for *The Daily Telegraph*.

In one three-part series entitled "Amateur finance", he described his own adventures in seeking out an income after leaving the Army. Aiming to produce an income of £150 (£17,900) he soon hit trouble.

In August 1845 Meason wrote: "I now took up my umbrella every morning and walked to the City, coming back in about four hours with the pleasing knowledge that I was earning, in directors' fees alone, at least 10 or 12 guineas a week."

than £2m today, and he would have received 3pc a year in income about £600 (£62,200).

The accounts also show rental income from his neighbours who rented some land on his Gad's Hill estate in Kent, and a few thousand pounds in several lump sums from Chappell & Co, who organised readings. Income from his book sales, sent by publisher Chapman & Hall, came in several tranches of around £1,000 (£100,000 today) across 1868-9.

'He was the original money-saving expert'

Dickens' output was terrific. In addition to his novels, he edited magazines and periodicals throughout his working life.

As editor of two-penny weekly magazine *Household Words* and its successor *All The Year Round*, he could pursue his fascination with personal finance topics and provide practical help to readers in a style

'He made more money from investments than from book sales'

not unlike today's newspaper money sections.

"He wrote, and commissioned, hundreds of articles about finance," explained the University of Buckingham's Dr John Drew, an expert in Dickens' journalism.

"He was not quite Martin Lewis (founder of MoneySavingExpert) but he did commission articles for his less well-off readers about savings, banks and post office accounts."

One of his regulator contributors, Malcolm Meason, was an expert on stock market bubbles and, for a time, a correspondent for *The Daily Telegraph*.

In one three-part series entitled "Amateur finance", he described his own adventures in seeking out an income after leaving the Army.

Aiming to produce an income of £150 (£17,900) he soon hit trouble.

In August 1845 Meason wrote: "I now took up my umbrella every

morning and walked to the City, coming back in about four hours with the pleasing knowledge that I was earning, in directors' fees alone, at least 10 or 12 guineas a week."

Yet the good times did not last and he too ended up in a "sponging



CHARLES DICKENS' MANSION, BETT MANNES