

Life's a Swindle

by Theodore Dalrymple (March 2014)

In my career as a doctor in prison, I met a few swindlers in my time and on the whole I liked them. They had charm and intelligence, which perhaps is unsurprising. It isn't easy to imagine a charmless swindler, after all; it is almost a *sine qua non* of the trade. Whether their charm preceded their swindling or they developed it in order to practice their swindling is hard to say, though the former is more likely. Be that as it may, their charm was their stock-in-trade and human gullibility the market in which they sold their wares.

Though I am a firm partisan of law and order, I admired, albeit somewhat guiltily, the swindlers of my acquaintance, especially if they had swindled on a large scale and had defrauded not individuals but faceless organisations. I know that individual people either owned or paid for those organisations, but somehow it seems less heinous to steal a dollar from a million people than a million dollars from one person. I remember in particular a swindler who had defrauded the exchequer of more than \$50 million, the whereabouts of which he refused to disclose to the authorities though to have done so would have lessened his prison sentence considerably. He had worked out what in effect amounted to his rate of pay per year served in prison and decided that it would be worth it, especially as prison conditions in Britain had eased considerably in point of comfort, and he would enjoy a long and golden retirement once released.

His scheme was so complex that I did not understand it; only a man with a firm grasp of various tax laws and a powerful imagination could have seen the opportunity and exploited it. There was an elaborate trail of falsified invoices and other paperwork that I did not understand and I had seen at once that he was an exceptional man, not what the prison guards used to call 'your typical con' [convict], when he entered my room with a volume of Wittgenstein under his arm. Suffice it to say that Wittgenstein was not the favourite reading even of those prisoners who read. Their preferred reading was generally crime novels of the goriest kind.

The Wittgensteinian prisoner was not ill. It was I who had asked to see him rather than the other way round. I needed to know whether his cellmate, the man with whom he shared a cell, a drug smuggler, was mad, as I had reason to believe. There are few places where untreated madness is more troublesome than a prison.

As one might expect from a man who read Wittgenstein for pleasure, he was highly articulate.

Prisoners often say the most interesting things and their language often has a beauty of its own, but consecutive thought is not the first characteristic of their utterances. A man such as I sometimes felt starved of conversation in the prison and so I kept the swindler with me for longer than necessary just for the pleasure of hearing him speak. He did not disappoint me.

He was completely unrepentant and was more inclined to pride in his exploit than guilt about it. Who, he asked me, had suffered by it? Large numbers of people had benefited from it, even, because the swindle involved selling goods without tax so that they were cheaper for those fortunate enough to be sold them. The government was deprived of \$50 million, it is true, but though this was a large sum for an individual it was small change for the government, an infinitesimal and insignificant loss to its receipts. Besides, the government would almost certainly waste the money; for example, it had spent no less than \$20 *billion* on a unified information system for the health service without anything whatever to show for it, except, perhaps (or even certainly), many millionaire information technology consultants. It is difficult to believe that such waste could have occurred in, or such an outcome could have resulted from, a state of complete ignorance on the part of everyone, without anyone whatever having wished it or at least taken advantage of it.

Furthermore (he told me), he had used a large part of his fortune, which he refused to believe was ill-gotten, in constructing a mansion in a so-called Third World country. He had thereby stimulated the economy of that country, giving employment to poor people much more honestly than if the government which he had allegedly defrauded had spent the same sums as he in a programme of official aid. Not only would most of the money spent have gone to those administering it, but most of what remained would have stuck to the fingers of the government of the poor country through which it would inevitably have had to be channelled. In other words, *his* foreign aid was much more effective and less damaging than anything the government could have done.

I should add that he said all this with a lightness of spirit that was delightful, so that one felt in listening to him that had drunk a glass of champagne. Not only did I not know what to reply to him by way of refutation, but I did not even want to refute him; on the contrary, I was on his side. My slight objection, that I made more for form's sake than from conviction, that by depriving the government of \$50 million he would cause it to seek that sum elsewhere to the detriment of taxpayers, sounded hollow even as I made it. I also tried the argument, without really believing it, that if everyone did as he did the government's receipts would fall dramatically, with unforeseeable but disastrous consequences.

'But everyone won't do it,' he replied.

This was the most obvious answer to return. To do as he had done would require two qualities (at least two): first the intellect necessary to understand the laws and the gaps in them, an intellect quite out of the ordinary; and second the daring to flout the law in such a fashion.

Let us suppose that the necessary intellect were to be found in one per cent of the population. Let us suppose also that the quality of necessary daring is not only independent of that of intellect, but is (as seems to me likely) even rarer than that of intellect, say one in a thousand: then not more than one in a hundred thousand people would act as he had done. And if we take into account that nine out of ten people would also scruple to act in this way, for reasons of false moral delicacy, we now find that not more than one in a million would so act. Moreover, of those with the necessary intellect, daring and lack of scruple, not more than one in ten would actually act as he had done rather than in some other way. So now we are up to one in ten million. Therefore to object to his conduct on the grounds that it would be disastrous if everybody did it would be absurd: it would be like keeping pigs locked up because they might develop wings and fly.

Yes, the arguments were all on his side and he not only had nothing to reproach himself with but was almost a benefactor of society. If his incarceration had cost society a great deal – I have never understood quite why imprisonment should be so expensive – that was society's fault, not his.

We laughed together. Perhaps his opportunity to speak to me had been as pleasurable for him as for me: I hoped so. But as he left the room I realised that I had been caught in the web of his charm. I could easily imagine how he or someone like him might ensnare me in one of his schemes, persuading me that it was not only free of risk but perfectly legal and indeed of benefit to the world. But he would sacrifice me, throw me to the lions, without a moment's hesitation if it would save his skin. As he left, therefore, I felt almost as if I had had a lucky escape.

My reminiscences of this man were provoked by reading a wonderful portrait of the swindler Stavisky by the French writer, Joseph Kessel, published shortly after Stavisky's downfall and suicide (or murder, the case has never been satisfactorily elucidated) in 1934. The case brought down the French government of the day and provoked some of the most violent Parisian riots of the century, which is saying something.

Stavisky, known to many as Monsieur Alexandre or *Le beau Sasha*, was born in the Ukraine in 1888 and moved to France with his parents when he was 12 years old. He was one of those

intelligent, gifted and ingenious people who always preferred the paths of dishonesty to those of honesty, though one feels that if only he had stuck to the latter he might have made an enduring fortune. One of the things about swindlers, however, is that they not only want to make a fortune quickly and easily without all the boring and painstaking intermediary work, but they delight to fool the world to demonstrate their superiority to it. The excitement of the moth flying close to the flame is another of their pleasures, that more solid activity would never give them.

Stavisky was a swindler for most of his adult life and once sent eighteen months in prison. But his time there did not discourage him or for that matter inhibit or disadvantage him. His next scheme was his big one, though it had humble enough origins, in the municipal pawnshop of Bayonne, a smallish town in the south-west of France.

In those days municipalities in France owned pawnshops which had the right to issue bonds according to their assets. Among other schemes, Stavisky brought the Bayonne municipal pawnshop the supposedly priceless emeralds of the former Empress of Germany, which turned out to be glass. The bonds issued by the Bayonne municipal pawnbrokers backed by such assets reached many millions in today's money, with Stavisky taking fees for his invaluable services. He lived the life of a merchant prince and took care to weave a web of contacts with people in high places, whom he bribed and flattered. That his wealth was fraudulently obtained was long suspected and on one occasion he was arrested and charged, but obtained (thanks to his contacts) postponements of his trial no fewer than nineteen times. It was because of his contacts in high places, that had enabled him so easily and for so long to evade justice, that his downfall had such a political impact, leading every citizen from left to right with the impression that *ils sont tous corrompus*, they (the people in power, the system itself) are all corrupt: precisely what everyone now says in France, and where many feel that the exasperation might lead again before long to 1934-type scenes.

Kessel, who himself was of Tsarist Russian origin, emigrating to France with his parents when he was ten years old, always knew Stavisky as *Monsieur Alexandre*, the refined, generous, successful and charming financier who offered to back a weekly magazine to be edited by him, without demanding any editorial control whatever. In a hundred pages or so, he sketches Stavisky's appearance, manner and character in such a way that one understands why people would have been charmed by him, why they would have trusted him, why even after his frauds were exposed they retained an affection for him. He was a genuinely kindly man, anxious to do good where he could, without malice of the more obvious kind, a devoted husband and father.

When exposure became inevitable and unavoidable, Stavisky fled. It was said he was making for

Venezuela, but he never got further than Chamonix. There in a villa, surrounded by police who had traced him, and who were determined to arrest him, he shot himself. Some say the police shot him so that he could not reveal the precise nature of his contacts in high places; others that he really did commit suicide. One way of reconciling the two theories is the supposition that the police surrounded the villa and waited for so long to enter to persuade him to commit suicide.

His last letter to his wife, written before his flight is touching, and is hardly that of a wicked or evil man, much harm though he might have done:

My beloved wife,

Here for the last time you will find in these lines all my soul, all my heart and all the love I have for you. You have always been the light of my life and it is for this reason that I consider it my duty to disappear. You know with what affection I surrounded our dear children. I leave each of them a word that they will not comprehend until they have reached the age of reason. I ask them to retain all their love for you and, if circumstances permit you – human nature being what it is – to make another life, that they are understanding. It is for you, for them, that I disappear... The situation that currently awaits me will separate me from you and them for years, if not forever. It's better that you should be free, and that I should not be an obstacle to their education and lives. What I ask of you above all is to raise them in the sentiment of honour and probity; and that when they reach the difficult age of fifteen, to be careful of their social contacts, so that they are set on the right path in life and become good people.

I would have liked to leave you in a much better material situation [he was ruined], but you are courageous, you will be able to start a little business that will allow you to live and raise the children in a dignified way. When I think that I had so much money and that I leave you in so parlous a situation, it is yet another reason for me to disappear...

Stavisky's son, Claude, having passed his childhood in the suite of a luxury hotel in Paris, spent much of his early adulthood in a psychiatric hospital. Then he became a circus performer and magician before taking a job looking after the boilers in the psychiatric hospital where he had been a patient. In 1974, at the age of 48, he was ejected for disorderly behaviour from the premiere of a film about his father.

Theodore Dalrymple's latest book is [here](#).