

Tulips from Amsterdam

By Jason Buckley

In sixteen hundred and thirty four, the people of Holland fell in love with tulips.

Tulips were new. They were beautiful. They came in lots of different colours. And best of all, they were very, very expensive, so not many people had them.

The price of tulips went up and up. The most expensive varieties had stripes on their flowers. These were considered the most beautiful but they were also the weakest plants from which it was hard to grow new bulbs.

Soon, a single tulip bulb that would produce the most valued flowers could cost as much as an ordinary man earned in a year.

People thought the prices would keep going up and up. They bought tulips even if they didn't want them for themselves because they expected to be able to sell them soon for double what they had paid.

Ordinary people got involved in the trade. A shoemaker who had invested all his savings to buy a tulip bulb was amazed when it produced a black flower – something that had never been seen before. A group of tulip sellers bought it from him for 1,500 florins. As soon as the money had changed hands, one of the buyers crushed it under his heel, saying 'Idiot! We have a black tulip too. We would have paid 10,000 florins if you had asked for it.'

The price of tulips rose so much that one bulb was sold for a piece of building land the size of eight football pitches. Another was swapped for these goods:

Two lasts of wheat, four lasts of rye, four fat oxen, eight fat swine, twelve fat sheep, two hogsheads of wine, four tuns of beer, two tuns of butter, one thousand pounds of cheese, a complete bed, a suit of clothes and a silver drinking cup. (*A 'last' is a cart load, and hogsheads and tuns are barrels.*)

Then one day, a particularly rare bulb was offered for sale at an enormous price.

Nobody bought it.

People took fright. What if nobody wanted to buy the tulips they had either? Best to sell quickly. But there were too many sellers and not enough buyers, so down went the prices. And because people thought the prices would continue to go down, they sold their tulips for less than they had paid to cut their losses; so the prices *did* go down further.

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But still nobody would buy. The same bulbs that had sold for the price of a large house a few weeks before were now worth only a few sacks of potatoes. Some people lost their fortunes and the people who had made fortunes kept quiet about it.

Eventually, things sorted themselves out. There were still rich people and poor people, although a few of them had swapped places. The Dutch continued to love tulips. Today, they produce about 3 billion of them each year. But even now, nearly four hundred years later, whenever the price of something goes up and up and then drops suddenly, as it has with shares and houses and yoyos and all sorts of other things, people remember the story of the tulip mania.

Postscript

Only it seems it didn't really happen quite like that. This story is based on a chapter in a book from 1841. That chapter was based on pamphlets written after the tulip mania. The pamphlet writers thought that it was a sin to make money by gambling on the future prices of things. Now, some historians think that they stretched the facts a long way to make their point. The historians believe tulip mania only involved a small number of people and that most of the agreements to buy and sell tulips at enormous prices were just talk and never actually happened.

One thing we do know is that both the stripes and the slow growth of the most expensive tulips were caused by a virus carried by a tiny aphid.