

Anglophilia

Anglophile, ang' glo fil, *n.* A person who admires or sympathizes with England and English views

Anglomania, ang' glo ma ne a, *n.* An excessive or undue attachment to, respect for or imitation of, Englishmen or English institutions of customs by a foreigner

—*The Living Webster Encyclopedic Dictionary, 1975*

One of the great weaknesses of certain strata of the American population, is the susceptibility to the mental disease known as anglophilia, and its more virulent strain, anglomania. Many of the American Names were blinded by the glory of joining Lloyd's, making them ripe for the plucking.

Take the case of Elizabeth Luessenhop, a Virginia Name who admits in her book *Risky Business* that "of course, becoming a Name was not just a business proposition: It was membership in the club, a kind of recognition that only the English landed gentry can give."

"I was easy to convince," Luessenhop wrote. "My family on both sides goes back to Colonial times. Mother firmly believed the United States should never have separated from the mother country. In our home it was a given that the English set the standards of good taste and integrity for the world. Most people I knew in Boston and Philadelphia would have agreed. . . . For me, becoming a Name at Lloyd's was a part of my love affair with England. And the love affair is still there, with London and with country

weekends—and with many of the people I have come to know at Lloyd's. A few of them are real snakes, but even the snakes are at least interesting. They still do a lot of things right at Lloyd's."

"When I came to London in 1983 for my interview at Lloyd's, I didn't worry about whether I was doing something commercially wise," she continued. "It was almost as though I wondered whether I was worthy. On previous trips to London I had stayed at the Dorchester House, but somehow Park Lane seemed too touristy for this visit. I knew that when royalty came to London they stayed at Browns; so for the occasion of my Lloyd's interview, I stayed at Browns."

It sounds a lot like Cinderella going to the ball.

Lloyd's plays this fantasy to the hilt, holding its initiation rituals in the magnificent eighteenth-century Adam Room on the eleventh floor of Lloyd's decade-old modern skyscraper. The Adam Room, which has travelled with Lloyd's from building to building, was originally the dining foyer at Bowood, the country mansion of the Marquess of Lansdowne. The prospective Names are led into this rarefied atmosphere, one at a time, to be inspected by members of the Council of Lloyd's, and asked one crucial question: "Do you understand that by becoming a member of Lloyd's, you are accepting unlimited liability?"

In that carefully crafted setting, surrounded by the wealth and power of Lloyd's, close enough to touch it, heads filled with visions of partaking in that wealth and power themselves, few Names would refuse the offer that was to ruin them. None of them realized that this magnificent room was in reality a slaughterhouse, and that the wealth and power of the empire, was built on the blood of people like themselves.—*John Hoefle*

their outstanding liabilities. . . . The law in the United States is clear in one crucial aspect: that U.S. members cannot avoid their obligations to policyholders."

The bribery takes the form of a £3.1 billion payment to the Names to settle all past disputes, and wipe the slate clean. This package will not, with perhaps a few exceptions, actually pay money to the Names; instead, it will issue credits against the funds Lloyd's claims the Names already owe, thereby reducing the amount they have to pay to Lloyd's to participate in R&R.

Moreover, according to the American Names Association's Peterson, some £2.9 billion of that £3.1 billion is actually the Names' own money, including funds pledged to Lloyd's, reserves, retained premiums, and awards from the suits against Outhwaite, Gooda Walker, Feltrim, and others, which the defendants paid to Lloyd's rather than the victims. Were the American Names to accept that offer, Peterson said,

they would still have to pay, after all credits, an additional \$650-700 million in premiums to join Equitas.

In December 1993, Lloyd's had offered the Names £900 million to settle all litigation, but the offer failed when only 38% of the Names agreed.

To further grease the skids for its Equitas scheme, "Lloyd's has created a \$110 million fund to pay off some leaders of the various anti-Lloyd's working groups," according to the Denver-based Association of Lloyd's State Chairmen (ALSC). "We've had first-hand reports from many Names in a dozen states that Lloyd's is actually making cash offers to investor Names to withdraw from lawsuits," said ALSC spokesman John Head.

While Lloyd's insists to the Names that joining Equitas will relieve them of further liability, that claim is false: Lloyd's will be relieved of liability, but the Names will not. Just as at Lloyd's, the Names who back Equitas will be liable