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CONSIDERATIONS

ON
MONEY, BULLION,
AND
FOREIGN EXCHANGES;

BEING AN ENQUIRY INTO
THE PRESENT STATE
OF THE
BRITISH COINAGE;

Particularly with regard to the
SCARCITY OF SILVER MONEY.

With a View to point out
The most probable **MEANS** of making it
more **PLENTIFUL.**

“ I have not wholly misemployed myself, if, in this
“ historical plain method, I can set down the grounds
“ of those persuasions which are to be found among
“ men, so various, different, and wholly contra-
“ dictory.”

Locke, Hum. Und.

L O N D O N,
PRINTED FOR LOCKYER DAVIS, IN HOLBORN,
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M D C C L X X I I .

A D V E R T I S E M E N T.

THE Writer of the following Enquiry, after reading the respective arguments of Mr. Lowndes, Mr. Locke, and Mr. Harris, on the subject of Coinage, endeavoured to satisfy himself concerning the grounds of such contrary opinions, relative to the expedients proper to be taken, when bullion rises so much above mint-price. as to lay a temptation in the way of melters and exporters to deprive us of our good specie; and to prevent the coinage of new money. The inconveniences produced from these circumstances, though not equal in degree to what they might have been in the reign of King William, are nevertheless at this time very great. At that period, Mr.

Lowndes, Secretary to the treasury, proposed to increase the current value of our money, in order to make it correspond with the price of bullion for the time being: Mr. Locke opposed this proposition; and endeavoured to prove, that the standard of money should not be violated or altered, on any pretence whatsoever; and his arguments had weight sufficient to prevent Mr. Lowndes's plan from being carried into execution. Not many years since, Mr. Harris, who had long been an officer of the mint, published, *An Essay upon Money and Coins*; in which he confirmed the opinion of Mr. Locke.

Many of the reasons urged both by Mr. Lowndes and Mr. Locke, though when examined apart they may appear to be equally well founded; yet, when compared with each other, are indeed wholly irreconcilable. The outlines of Mr. Lowndes's proposition seem consistent with good sense and experience, though parts
of

A D V E R T I S E M E N T. v.

of it are certainly exceptionable; and when we consider his knowledge in money-matters, and the great assistance he undoubtedly had from persons the most eminently skilled in trade; his arguments receive additional weight. On the other hand, when we call to mind the superior abilities of Mr. Locke; and when we admire his reasoning, which seems to be mathematically true; we are apt to think with him, that any alteration of the standard could not possibly be attended with advantage: but very probably with inconvenience. Still, however, the scarcity of silver money calls loudly for redress. A redress is indeed at this time become almost indispensably necessary, for the immediate purpose of carrying on trade, throughout the kingdom.

The writer, taking these various circumstances into consideration, found the difficulty of forming a decisive opinion; whilst yet he earnestly wished to discover the *foundation* of this incongruity, between
philosophy-

philosophical truth and common experience. After having, in the course of his researches, compared the events which have happened in respect to gold coins and foreign exchanges, he began to entertain some doubts concerning the principles on which Mr. Locke formed his opinion; an opinion better suited perhaps to philosophy than trade. With a view to commerce, money ought principally to be considered; and it appears to the writer, with all due deference to Mr. Locke, that the want of sufficient attention to foreign exchanges betrayed him into error: at least, his maxims do not correspond with the trade of this country, as practised for many years past.

After having frequently reviewed, and well weighed, the circumstances on which Mr. Locke's opinion is grounded; and after having consulted those who are particularly conversant in matters of exchanges and bullion; the writer ventures to submit this

Enquiry to the public. It is equal to him, whether the opinion herein set forth, or Mr. Locke's, be found to be the true one: in either case (let but the one or the other be ascertained) the remedy appears to him to be equally near at hand.

A N

AN ENQUIRY

INTO

THE PRESENT STATE

OF THE

BRITISH COINAGE.

PART I.

CHAP. I.

A general View of the State of the Coinage in this Kingdom, from the Reign of Queen Elizabeth to the present Time; and the present Expences of Government in coining Money at the Mint.

AS the subject proposed at present to be enquired into, has not, I apprehend, been much considered by the generality of those who probably may read the following sheets; I take the liberty, in order to give a general idea of the nature and state of our coinage, of putting down a table, shewing the money coined in this kingdom at the mint, from the reign of Queen Elizabeth to the present time.

B

Gold

ON THE PRESENT STATE

Gold and Silver coined in each reign, from 17 Nov. 1558 to
per ounce, and Silver at 5s. 2d. per ounce,

| <i>Reign of</i> | <i>Gold.</i> | | | | <i>Sterling value.</i> | | |
|---|--------------|-----|-------|-----|------------------------|----|-----|
| | L.wts. | oz. | dwts. | gr. | l. | s. | d. |
| Elizabeth, { | 12,237 | - | 18 | 6 | 440,534 | 14 | 9 |
| | 10,730 | 2 | 7 | 4 | 354,096 | 10 | 8½ |
| James I. | - | - | - | - | 3,666,389 | 18 | 11 |
| Charles I. | 87,995 | 7 | 11 | 14 | 3,319,677 | 5 | 9 |
| Parliament, Oliver, &c. } | 1,768 | 7 | 17 | 16 | 72,514 | 18 | 8¼ |
| | | | | | | | |
| | 112,731 | 6 | 15 | 2 | 7,853,213 | 8 | 9¾ |
| | | | | | | | |
| Charles II. | 93,024 | 5 | 8 | 13 | 4,346,567 | 10 | 7½ |
| James II. | 47,497 | 6 | 1 | 0 | 2,219,320 | 17 | 7½ |
| William and Mary, } | 9,962 | 8 | 0 | 14 | 465,505 | 14 | 3¼ |
| William in the Tower, } | 66,866 | 3 | 14 | 11 | 3,124,328 | 6 | 11 |
| Ditto, in the Country Mints, } | - | - | - | - | - | - | - |
| Anne, in the Tower, } | 55,832 | 2 | 0 | 0 | 2,608,757 | 19 | 9 |
| Mint at Edin- burgh, } | - | - | - | - | - | - | - |
| George I. | 181,763 | - | - | - | 8,492,876 | 3 | 6 |
| George II. | 249,592 | 7 | 12 | 21 | 11,662,215 | 19 | 3 |
| George III. to 11 Jan. 1763, } | 26,022 | 6 | 16 | 12 | 1,215,904 | 10 | 6 |
| D° to D° 1764, | 10,980 | - | - | - | 513,040 | 10 | - |
| D° to D° 65, | 18,900 | - | - | - | 883,102 | 10 | - |
| D° to D° 66, | 11,520 | - | - | - | 538,272 | - | - |
| D° to D° 67, | 17,565 | - | - | - | 820,724 | 12 | 6 |
| D° to D° 68, | 27,219 | - | - | - | 1,271,807 | 15 | 6 |
| D° to D° 69, | 18,075 | - | - | - | 844,554 | 7 | 6 |
| D° from 12 Jan. 1769 to 30 May, } | 4,320 | - | - | - | 201,852 | - | - |
| | | | | | | | |
| | 839,140 | 3 | 13 | 23 | 39,208,830 | 17 | 11¼ |

OF THE BRITISH COINAGE.

3

The 30th of May 1769, Sterling value of the Gold 3*l.* 17*s.* 10½*d.*
with the Total Amount of both in each Reign.

| <i>Silver.</i> | | | | <i>Sterling value.</i> | | | <i>Total Sterling value of Gold and Silver coined in each Reign.</i> | | |
|----------------|-----|-------|-----|------------------------|----|-----|--|----|-----|
| L. wts. | oz. | dwts. | gr. | l. | s. | d. | l. | s. | d. |
| 1,651,853 | 11 | 3 | 7 | 4,718,579 | 2 | 8½ | 5,513,210 | 8 | 2 |
| - | - | - | - | 1,765,961 | 14 | 10 | 5,432,351 | 13 | 9 |
| - | - | - | - | 8,776,544 | 10 | 3 | 12,096,221 | 16 | — |
| 123,644 | 1 | 18 | 2 | 383,294 | 15 | 4½ | 455,809 | 14 | 0½ |
| <hr/> | | | | <hr/> | | | <hr/> | | |
| 1,775,498 | 1 | 1 | 9 | 15,644,380 | 3 | 1¾ | 23,497,593 | 11 | 11½ |
| <hr/> | | | | <hr/> | | | <hr/> | | |
| 1,025,012 | — | 14 | 14 | 3,177,537 | 7 | 9¼ | 7,524,104 | 18 | 4¾ |
| 167,198 | 10 | 6 | 20 | 518,316 | 9 | 5¼ | 2,737,637 | 7 | 0¾ |
| 25,492 | 4 | 18 | 8 | 79,026 | 9 | 4¾ | 544,532 | 3 | 8 |
| 1,684,600 | 0 | 19 | 6 | 5,222,260 | 4 | 11¾ | 10,138,376 | 3 | 10¾ |
| 577,996 | — | — | — | 1,791,787 | 12 | — | | | |
| 66,804 | 9 | 15 | — | 207,094 | 18 | 4½ | | | |
| 103,346 | — | — | — | 320,372 | 12 | — | 3,136,225 | 10 | 1½ |
| 75,176 | — | — | — | 233,045 | 12 | — | 8,725,921 | 15 | 6 |
| 98,180 | 9 | 6 | — | 304,360 | 8 | 0½ | 11,966,576 | 7 | 3½ |
| 1,030 | — | — | — | 3,193 | — | — | 1,219,097 | 10 | 6 |
| 848 | — | — | — | 2,628 | 16 | — | 515,669 | 6 | — |
| 5 | — | — | — | 15 | 10 | — | 883,118 | — | — |
| 6 | — | — | — | 18 | 12 | — | 538,290 | 12 | — |
| 96 | — | — | — | 297 | 12 | — | 821,022 | 4 | 6 |
| - | - | - | - | - | - | - | 1,271,807 | 15 | 6 |
| - | - | - | - | - | - | - | 844,554 | 7 | 6 |
| - | - | - | - | - | - | - | 201,852 | — | — |
| <hr/> | | | | <hr/> | | | <hr/> | | |
| 3,825,792 | — | — | — | 11,859,955 | 4 | — | 51,068,786 | 1 | 11¼ |
| <hr/> | | | | <hr/> | | | <hr/> | | |

4 ON THE PRESENT STATE

I will now take the liberty of making the following general observations :

If our current money be defective in weight or in fineness, so as to be in any considerable degree of *less* value as bullion, when melted down, than it passes for as money, the nation is, in many respects, injured ; because that which is the standard of property, is short of measure. But, on the other hand,

If the standard coin is in any considerable degree of *more* value as bullion than as coin, no laws, however severe, can prevent its being melted down and exported, in preference to bullion ; consequently in time there must become a great scarcity, which is the case at present with regard to the coin of this nation, especially of our silver coin of full weight.

By

OF THE BRITISH COINAGE. 5

By examining the following table, taken from the mint indenture, and the present price of bullion at market, it will appear, how the present scarcity of silver money arises.

B 3

TABLE.

6 ON THE PRESENT STATE

T A B L E.

GOLD COINS.

| Number of pieces in the pound weight Troy. | Expences on the Coinage, per pound weight Troy. | | s. d. | |
|---|--|---|-------|-----|
| | | | s. | d. |
| 178 Quarter Guineas, | — | — | 11 | 10 |
| 133 Seven Shillings, | — | — | 9 | 10½ |
| 89 Half Guineas, | — | — | 7 | 10½ |
| 44½ Guineas, | — | — | 6 | 8 |
| 22 Two Guineas, and Half a Guinea, | — | — | 6 | 0 |
| 9 Five Guineas, wanting Half a Guinea, | | | 6 | 0 |

STANDARD.

22 Carrats of fine gold ;

2 Ditto of allay.

Remedy, the sixth part of a carrat.

The value of the pound weight of gold, when coined, is

l. s. d.

46 14 6 the mint price,

Or, 3 17 10½ per ounce.

Present price of standard gold, as bullion, is 3*l.* 19*s.* 6*d.* per ounce ; or 4*l.* if calculated at the former price the pound weight is worth.

47*l.* 14*s.* the current price of gold bullion at market.

Therefore there is a loss upon the coinage of gold, taken at the lowest price of bullion, at present, of 19*s.* 6*d.* per pound weight, which is upwards of 2 per cent.

T A B L E.

OF THE BRITISH COINAGE. 7

T A B L E.

SILVER COINS:

| Number of pieces in the pound weight Troy: | | | | Expences on the Coinage per pound weight Troy. |
|---|---|---|---|---|
| | | | | <i>s. d.</i> |
| 744 Pennies, | — | — | — | 3 11½ |
| 272 Half Groats, | — | — | — | 3 2½ |
| 248 Three-pences, | — | — | — | 2 9½ |
| 186 Groats, | — | — | — | 2 4½ |
| 124 Six-pences, | — | — | — | 2 2 |
| 62 Shillings, | — | — | — | 1 10½ |
| 24 Half Crowns and two Shillings, | | | — | 1 5½ |
| 12 Crowns and two Shillings, | | | — | 1 5½ |

STANDARD.

11 Ounces, two penny weight, of fine silver;
18 Ditto of allay.

Remedy, two penny weight in the pound weight Troy.

The value of the pound weight of silver, when coined, is

l. s. d.

. 3 2 0 the mint price,

Or, 0 5 2 per ounce.

Present price of sterling silver bullion is, from 5*s.* 5*d.* to
5*s.* 6*d.* per ounce: if calculated at 5*s.* 5*d.* the pound
weight is worth,

l. s. d.

3 5 0 the current price of silver bullion at market.

Or, 0 5 5 per ounce.

Therefore there is a loss upon the coinage of silver, taken
at the lowest price of bullion, at present, of 3*s.* per pound
weight, which is 5 per cent.

T A B L E.

GOLD COINS.

| Number of pieces in the pound weight Troy. | | | Expences on the Coinage, per pound weight Troy. | |
|---|---|---|--|-----------|
| | | | <i>s.</i> | <i>d.</i> |
| 178 Quarter Guineas, | — | — | 11 | 10 |
| 133 Seven Shillings, | — | — | 9 | 10½ |
| 89 Half Guineas, | — | — | 7 | 10½ |
| 44½ Guineas, | — | — | 6 | 8 |
| 22 Two Guineas, and Half a Guinea, | — | — | 6 | 0 |
| 9 Five Guineas, wanting Half a Guinea, | | | 6 | 0 |

STANDARD.

22 Carrats of fine gold;

2 Ditto of allay.

Remedy, the sixth part of a carrat.

The value of the pound weight of gold, when coined, is

l. s. d.

46 14 6 the mint price,

Or, 3 17 10½ per ounce.

Present price of standard gold, as bullion, is 3*l.* 19*s.* 6*d.* per ounce; or 4*l.* if calculated at the former price the pound weight is worth.

47*l.* 14*s.* the current price of gold bullion at market.

Therefore there is a loss upon the coinage of gold, taken at the lowest price of bullion, at present, of 19*s.* 6*d.* per pound weight, which is upwards of 2 per cent.

T A B L E.

T A B L E.

SILVER COINS:

| Number of pieces in the pound weight Troy: | | | | Expences on the Coinage per pound weight Troy. | |
|---|---|---|---|---|-----|
| | | | | s. | d. |
| 744 Pennies, | — | — | — | 3 | 11½ |
| 272 Half Groats, | — | — | — | 3 | 2¼ |
| 248 Three-pences, | — | — | — | 2 | 9½ |
| 186 Groats, | — | — | — | 2 | 4¾ |
| 124 Six-pences, | — | — | — | 2 | 2 |
| 62 Shillings, | — | — | — | 1 | 16½ |
| 24 Half Crowns and two Shillings, | — | — | — | 1 | 5¾ |
| 12 Crowns and two Shillings, | — | — | — | 1 | 5¾ |

STANDARD.

11 Ounces, two penny weight, of fine silver;
18 Ditto of allay.

Remedy, two penny weight in the pound weight Troy.

The value of the pound weight of silver, when coined, is

l. s. d.

. 3 2 0 the mint price,

Or, 0 5 2 per ounce.

Present price of sterling silver bullion is, from 5s. 5d. to
5s. 6d. per ounce: if calculated at 5s. 5d. the pound
weight is worth,

l. s. d.

3 5 0 the current price of silver bullion at market.

Or, 0 5 5 per ounce.

Therefore there is a loss upon the coinage of silver, taken
at the lowest price of bullion, at present, of 3s. per pound
weight, which is 5 per cent.

8 ON THE PRESENT STATE

By this table it appears, that the gold coin in currency is valued at 15 to 1, in respect to silver.

But the value of the gold bullion, in respect to the silver bullion, compared with their respective prices at market, is as $14\frac{1}{2}$ to 1.

Consequently the gold coins pass for more than they ought by upwards of three per cent. compared with the present prices of the bullion of each metal at the London market.

If the intrinsic value of our gold coins were greater than our silver money, in proportion to currency; melters and exporters would prefer them to silver: but as the silver money is of greater intrinsic value than the gold coins, in proportion to their currency; the silver will be by them, while they can get them good, more eagerly sought after than the gold coins. And this circumstance naturally accounts for the greater scarcity of the former, than of the latter.

For instance, a good standard crown-piece of silver, weighing nearly an ounce, passes for no more as currency than five shillings;

shillings; but when melted down, or exported, will sell as bullion for five shillings and three pence; and so in proportion the rest of the good silver coins; that is, five per cent. above currency. No preventive laws can put a stop to so lucrative a trade, while silver money, equal to standard, can be procured.

Hence it may also be inferred, if the coins, both of gold and silver, should be in any considerable degree of more value, when melted down, than as currency, the melters and exporters would most probably in time leave us destitute of any legal specie, and trade must be carried on entirely by worn, clipt, counterfeit, or debased coins. And this grievance would continue, without hopes of a fresh supply of good money, unless some regulations were made to reduce bullion to mint price.

If government should think proper to be at the expence of continually coining new money, equal to the present standard, for the exigences of trade; yet, while bullion continues to be so much above mint-price, this measure would be far from remedying the evil. As the *gain* in melting down, or
exporting,

exporting, our new coin, in preference to bullion, would be exactly equal to the *loss* on the coinage, it would be only opening a fresh source of gain to the melters and exporters, who would melt and export near as fast as the mint could coin. The reader may judge of the truth of this observation, by examining the quantity of gold coined at the mint within these last thirty years, as described in the following table; by which it will appear, that notwithstanding the great *loss*s attending the coinage of gold, there hath been more gold coined within these last ten years (except in the reign of King William) than in any equal number of years in our English history; yet we do not find any increased quantity of gold coin in circulation; on the contrary, it is lamented, that there never was known to be less than at present.

Gold and Silver coined for Thirty Years, from 1741 to 1770.

| Dates. | Gold coined. | | | | Silver coined. | | | | | |
|--|--------------|-----|------|-----|----------------|-----|------|-----|---|--|
| | L. wt. | oz. | dwt. | gr. | L. wt. | oz. | dwt. | gr. | | |
| One year ended } 31 December } 1741 | 540 | — | — | — | 3,060 | — | — | — | | |
| 1742 | none | | | | none | | | | | |
| 1743 | none | | | | 2,400 | — | — | — | | |
| 1744 | 210 | — | — | — | 2,528 | — | — | — | | |
| 1745 | 6,270 | — | — | — | 600 | — | — | — | | |
| 1746 | 10,155 | — | — | — | 44,010 | — | — | — | | |
| 1747 | 795 | — | — | — | 1,500 | — | — | — | | |
| 1748 | 7,245 | — | — | — | none | | | | | |
| 1749 | 15,210 | — | — | — | none | | | | | |
| 1750 | 11,955 | — | — | — | none | | | | | |
| 1751 | 9,645 | — | — | — | 2,614 | — | — | — | | |
| Ending 11 Jan. } 1753 N.S. | 12,255 | 10 | 15 | 10 | 18 | 9 | 6 | 0 | | |
| 1754 | 7,809 | — | — | — | 19 | — | — | — | | |
| 1755 | none | | | | 19 | — | — | — | | |
| 1756 | 4,808 | 9 | 6 | 15 | 19 | — | — | — | | |
| 1757 | 10,550 | 8 | 14 | 15 | 39 | — | — | — | | |
| 1758 | none | | | | 5,359 | — | — | — | | |
| 1759 | 13,950 | — | — | — | 20,189 | — | — | — | | |
| 1760 | 51,985 | 2 | 16 | 5 | 34 | — | — | — | | |
| 1761 | 14,472 | 6 | 16 | 12 | 43 | — | — | — | | |
| 1762 | 11,719 | — | — | — | 10 | — | — | — | | |
| 1763 | 11,850 | — | — | — | 1,020 | — | — | — | | |
| 1764 | 10,980 | — | — | — | 848 | — | — | — | | |
| 1765 | 18,900 | — | — | — | 5 | — | — | — | | |
| 1766 | 11,520 | — | — | — | 6 | — | — | — | | |
| 1767 | 17,565 | — | — | — | 96 | — | — | — | | |
| 1768 | 27,219 | — | — | — | none | | | | | |
| 1769 | 18,075 | — | — | — | none | | | | | |
| 1770 | 13,410 | — | — | — | none | | | | | |
| <hr/> | | | | | <hr/> | | | | | |
| L. wt. 319,166 | | | | | 2 | | 9 | | 9 | |
| <hr/> | | | | | <hr/> | | | | | |
| 84,436 | | | | | 9 | | 6 | | 0 | |

R E M A R K S.

By the above table it appears, that there has been coined in 10 years, from 11 January 1759, to 11 January 1769, 192,356 L.wt. 9 oz. 12 dwt. 17 gr. of gold; and, sterling value of the gold being 3*l.* 17*s.* 10½*d.* per ounce, amounts in currency, to 8,500,000*l.* sterling, and upwards.

The wages to the mint officers on the coining thereof at 6*s.* 8*d.* per pound is (the fee on coining guineas) about 64,085*l.* sterling; but, as much of that gold was coined into less money, it may reasonably be estimated at 70,000*l.* or 7000*l.* a year, expence to government.

But the loss to private people by coining the abovementioned 8,500,000*l.* calculated at 2½ per cent. amounts to 212,500*l.* and must be a very great object to the Bank of England, who are the principal, if not the only people who send bullion to the mint to be coined, and amounts to upwards of 20,000*l.* a year.

It may be said that those people reap advantages in their trade by other means, sufficient to enable them to sustain this loss upon coining gold. And it is allowed, the expence of 7000*l.* a year, paid by government for the coining of gold, is scarcely a national object. And if this 8,500,000*l.* coined within these last 10 years, was so much increased specie now resting in the nation, it is, in a political light, money well laid out.

But I am afraid it will appear, upon examination, that we have not more specie in the nation than we had 10 years ago; and this vast coinage has been carried on only for the benefit of merchants, who have exported it in preference to bullion, in the payment of balances, because they can export it at upwards of 2½ per cent. greater profit.

Therefore this expence of 70,000*l.* sustained by government, and this 212,500*l.* loss sustained by the Bank, &c. has been only furnishing means for these merchants to carry on their illegal trade.

C H A P. II.

*Considerations on Money, and Bullion
in general.*

IN order to consider this matter properly, and to investigate the mode of relief from our present grievances, it may be necessary to make some general observations on coin and bullion. I do not presume to offer to the public any thing new on this head; yet my observations may serve to call to mind such ideas as ought to be present when judging on the matter of coinage.

And in the first place I propose shewing the opinion of the council of trade, held on this subject in the reign of Charles II.

*Advice of his Majesty's Council of Trade,
concerning the Exportation of Gold and
Silver in Foreign Coins and Bullion.*

(Concluded Dec. 11, 1660.)

“To the KING’s most excellent MAJESTY.

“The opinion and humble advice of your
“Majesty’s council of trade concern-
“ing the free exportation of gold and
“silver in foreign coins and bullion.

“May it please your MAJESTY,

“*The balance of trade* (by which we
“understand the proportion that the com-
“modities exported have in value to the
“commodities imported) *being the sole or*
“*principal cause of the exportation or impor-*
“*tation of bullion:*

“If, upon the balance, money is to be
“exported, the strictest of laws (as by the
“experience of all ages appeareth) cannot
“stop it.

“But if, upon the balance, money is
“to be imported, that same law that could
“not,

“ not, in the other case, prevent the carry-
 “ ing of it out, hinders, in this, the bring-
 “ ing of it in ; for the merchant will rather
 “ send his money to Livorne, Amsterdam,
 “ &c. (where he may remove it at pleasure)
 “ than bring it hither ; whence he cannot
 “ export it in pursuance of any advantage
 “ in trade, without hazarding the loss
 “ of it.

“ However, it evidently gives a greater
 “ interruption to the English merchant, and,
 “ keeping foreigners (upon the same ac-
 “ count) from lodging their money here (as
 “ otherwise they would) this being a place
 “ so much more convenient than Amster-
 “ dam, does consequently lose the great
 “ benefit that would arise to your Majesty
 “ in your mint and revenue, to the nobi-
 “ lity and gentry in their estates, and to
 “ the merchant in his trade, by the plenty
 “ of gold and silver in your Majesty’s do-
 “ minions.

“ *And though the prerogative your Ma-
 “ jesty’s royal predecessors anciently had and
 “ exercised of the whole change exchange and
 “ rechange of money, bullion, &c. (which must
 “ needs have been invaded, if any other had
 “ had the liberty of exporting gold and silver)*
 “ was

“ *was in those days a sufficient and principal*
 “ *(if not the only reason) for making the sever-*
 “ *ral statutes against the exportation of money,*
 “ *&c. without the king’s licence ; yet, that*
 “ *reason now ceasing, we most hum-*
 “ *bly propose to your Majesty, as our opi-*
 “ *nion and advise (upon the weight of*
 “ *those other preceding reasons, of which*
 “ *your Majesty, by the annexed paper,*
 “ *may receive more full satisfaction) that*
 “ *your Majesty would be graciously pleas-*
 “ *ed, for the better advancing of trade,*
 “ *and for the general good of your Majes-*
 “ *ty’s subjects) to dispense with the pre-*
 “ *sent penalties upon the exportation of*
 “ *gold and silver in foreign coin or bullion,*
 “ *for some certain time, and by such pub-*
 “ *lic act, as (being without any trouble*
 “ *or charge to traders) may give both en-*
 “ *couragement and assurance, unto mer-*
 “ *chant-strangers, as well as natives, in*
 “ *the importing of gold and silver, unless*
 “ *upon public notice, given a year before,*
 “ *your Majesty shall think fit to recall the*
 “ *same.*

“ All which we most humbly submit
 “ unto your Majesty’s most gracious will
 “ and pleasure.

“ Reasons,

“ Reasons and arguments for the free
 “ exportation of gold and silver in fo-
 “ reign coin and bullion.

“ The council of trade appointed by
 “ your Majesty, having taken into confi-
 “ deration the tenth article of the instruc-
 “ tions given unto them by your Majesty,
 “ ordering to advise how bullion may be
 “ best drawn into these kingdoms; and
 “ having had many days examination and
 “ debate, of and upon the several ancient
 “ laws, forbidding the exportation of all
 “ manner of gold and silver, in coins, bul-
 “ lion, plate, &c.: After comparing the
 “ present course of trade, with that of
 “ those ages wherein those statutes were
 “ made, and observing the inconveniences
 “ growing upon these kingdoms through
 “ such prohibitions, and the advantage
 “ which other princes and nations make by
 “ letting the exportation thereof free;
 “ have drawn up their sense and apprehen-
 “ sion upon the whole matter, which they
 “ humbly offer to your Majesty as fol-
 “ loweth.

C

“ And

“ And first, It hath been observed, out of
 “ these and other statutes, that all money
 “ and bullion, once imported, was to be
 “ put into the hands of the king’s ex-
 “ changers, which course is now antiquat-
 “ ed. That some of those statutes seem
 “ more to intend religious persons, and
 “ clerks, than merchants; and all imply,
 “ or particularly except, some cases where-
 “ in, by the king’s licence, money and
 “ bullion might be exported, without be-
 “ ing in danger of the forfeitures in those
 “ laws. And therefore, finding these dis-
 “ pensations to be your Majesty’s preroga-
 “ tive, preserved entire to the crown,
 “ through so many of your royal progeni-
 “ tors, we have not thought fit to touch
 “ any further upon this matter, as being
 “ humbly confident that your Majesty’s
 “ subjects shall (upon all occasions) be in-
 “ dulged the like, if not more ready re-
 “ lief, and accommodation for their trade,
 “ from your Majesty’s royal grace and
 “ bounty: only, because the observation
 “ was obvious, that, perhaps, all former
 “ parliaments purposely left this door
 “ open to the people by the grace of the
 “ king,

“ king, to be relieved by these dispensa-
 “ tions; as foreseeing how difficult, if not
 “ impossible, or how inconvenient, at
 “ least, it might be in future times, alto-
 “ gether to restrain the exportation of mo-
 “ ney and bullion, we could not omit the
 “ same in this place.

“ And secondly, Supposing that it were
 “ of absolute necessity to restrain all mo-
 “ ney and bullion, once imported, to be
 “ kept within the kingdom: It then
 “ came under consideration, whether ei-
 “ ther the laws hitherto made in that be-
 “ half are, or that it be possible to make
 “ a law, adequate to prevent the exporta-
 “ tion thereof.

“ *And here we were convinced, by expe-*
 “ *rience, that the laws of this kingdom*
 “ *(hitherto made) have been of no effect to*
 “ *the end thereby designed; and looking a-*
 “ *broad, as there are no where more strict*
 “ *and severe laws against the exportation of*
 “ *coin and bullion than in Spain and France*
 “ *we found all to be to as little purpose.*

“ We then, thirdly, enquired, What
 “ loadstone attracted this metal by force
 “ of nature to itself, against *all human pro-*

“ *vidence or prevention?* and soon found,
 “ that it was alone the present course of
 “ trade and traffic throughout the world,
 “ and quite altered from that in former
 “ ages when those statutes were made,
 “ which hath converted all action into the
 “ commodities which the earth and sea
 “ produce, is in continual circumrotation,
 “ embraceth all things, and hath enforc-
 “ ed at last *money* (which in former times
 “ was *only* used as the measure to value
 “ all commodities by) *to become now itself*
 “ *to a commodity*, subject to rising and falling
 “ in price and value as any other mer-
 “ chandize, and to be the only employ-
 “ ment of thousands of merchants, that
 “ deal in nothing else; yet it cannot be
 “ denied, that the surest way to bring in
 “ money, and to keep it (were there
 “ no laws of restraint at all) were to be
 “ more sellers than buyers, and to make
 “ up such a balance of trade of this king-
 “ dom, as it might be judged whether
 “ the produce of native goods did exceed
 “ the consumption of the foreign; *for*
 “ *then the overplus would be found in money,*
 “ *and remain in the land.*

“ But

“ But this point we found would require
 “ a vast expence of time, both in council
 “ and action, both at home and abroad;
 “ and that the result at last would be no
 “ more but what experience hath already
 “ taught, that money and bullion have
 “ always forced their way against the fe-
 “ veral laws; that the trade of the world
 “ will not be forced, but will find or make
 “ its own way free to all appearances of
 “ profit; and that, although there be a
 “ method in trade, yet it is held impossible
 “ to describe the same.

“ For Spain hath the mines of gold and
 “ silver; yet enjoyeth the least part there-
 “ of, and for three parts of the year hath
 “ scarce sufficient to serve its own ordinary
 “ occasions.

“ On the other side, neither Venice,
 “ Tuscany, Genoa, nor The Netherlands,
 “ have any mines at all of their own, *nor*
 “ *are at all careful to keep in money or bul-*
 “ *lion, by any restraint of laws; yet they are*
 “ *always masters thereof, and some of them*
 “ *abound therein.*

“ But it is true, that Venice once did
 “ fall upon the course taken by Spain,

“ France, and England, to keep money
“ and bullion within their country by
“ strict laws; but they soon found they had
“ the less thereof by this restraint, and as
“ soon relinquished the same, and have
“ never since complained of any want.

“ And therefore, in the fourth place,
“ we discovered, that, as it is impossible by
“ any laws to restrain money and bullion
“ against the use that traffic finds for the
“ same; so also the adhering to this princi-
“ ple of restraining thereof discourageth,
“ as well all natives as foreigners, to import
“ any money or bullion into those lands,
“ where the exportation thereof, at their
“ own pleasure, is forbidden them; and
“ that this hath been the cause that even
“ the English that lived in Spain, when
“ they had acquired money and bullion
“ there, would not transport it hither; but
“ either lodged it in Genoa, Venice, or
“ Livorne, for the trade of the Mediterra-
“ nean, as those of Holland do for the
“ trade of the German Ocean.

“ From whence, fifthly, the many ad-
“ vantages (thereby given away clearly to
“ the stranger from the English) present
“ themselves;

“ themselves; for the stranger, knowing
 “ we must be furnished in one of those
 “ places for our occasions, make us pay
 “ dearly for our accommodation; and be-
 “ sides, to seek the same there, we are
 “ often hindered in our voyages outward,
 “ put upon double adventures, and often-
 “ times hindered of our market.

“ For there are some trades, that in
 “ part, or in the whole, cannot be driven,
 “ or managed, to any profit or proportion
 “ of advantage with our neighbours, but
 “ by exporting money or bullion, either
 “ together with their merchandizes, or
 “ wholly a merchandize or commodity of
 “ itself. — Wherein are humbly offered
 “ these instances.

“ To the East Indies.—Though some
 “ English commodities be vented there,
 “ yet no considerable trade can be driven
 “ by us, or any others that buy the com-
 “ modities of the natives, but with money
 “ carried out of Europe. And if we ex-
 “ port 100,000 *l.* per annum, that will
 “ purchase so much goods as do usually
 “ yield in England 300,000 *l.* one third
 “ whereof is paid, as the salary of ships,

“ mens wages, and for customs ; and here
 “ is one considerable advantage, that re-
 “ dounds, as well to your Majesty’s re-
 “ venue, as to the navigation of this king-
 “ dom : then one third of the said East-
 “ India commodities is as much as serveth
 “ for the consumption of these kingdoms ;
 “ and that we have at the price it cost in
 “ India: the last third, as also the first
 “ third, reckoned to freight, mariners
 “ wages, and customs, are both exported
 “ to the Mediterranean, Spain, France,
 “ the Baltic, and other parts, where the
 “ proceed of them serves to purchase fo-
 “ reign commodities for us, and helps so
 “ far to balance our trade, as that it
 “ occasioneth the importation of at least
 “ 100,000 *l.* per annum in bullion, and
 “ prevents the exportation of as much
 “ more ; which would be wanted to pur-
 “ chase necessary commodities from a-
 “ broad. Whereas, if we did not follow
 “ the East-India trade, the Hollanders
 “ would drain from us at least 300,000 *l.*
 “ per annum, for the East-India commo-
 “ dities that we must have from them; for
 “ so much, at least, the same goods would
 “ cost

“ cost at their hands, which we now bring
 “ home ourselves for 100,000 *l*.

“ And all these mischiefs we avoid, and
 “ all these advantages we gain, by the free
 “ exportation of 100,000 *l*.

“ For the Norway trade, which gives
 “ a large employment to a great number
 “ of shipping, and furnisheth us with a
 “ very necessary supply of timber and
 “ tarr; it cannot be carried on without
 “ the liberty of exporting money and bul-
 “ lion, because the kingdom of Norway
 “ gives no vent to any of our native com-
 “ modities, in proportion to the value of
 “ what we fetch thence, and therefore
 “ money and bullion must pay for it; and
 “ should the ships first go to Holland or
 “ Hamburgh to fetch the dollars, the very
 “ time expended in deviating from their
 “ designed ports of lading, would make
 “ the price of timber twice as much
 “ as now it is; the freight of it being at
 “ least two thirds of the value of it when
 “ it is imported.

“ The trade of Turkey cannot be driven
 “ to advantage, but with some part money,
 “ because the consumption of our manu-
 “ factures

“ manufactures in those dominions, is not suf-
 “ ficient to make payment for what we
 “ have occasion to bring from thence ; nor
 “ can those manufactures be put off, in
 “ the most advantageous terms, but by
 “ giving some part money with them, in
 “ the exchange for the Turkey commodi-
 “ ties, which is a trade not to be neglect-
 “ ed, because, whereas we now furnish not
 “ only our own country with many ne-
 “ cessary commodities that are here ma-
 “ nufactured, out of the product of that
 “ trade, to the great increase of your Ma-
 “ jesty’s revenue, and employment of
 “ the poor, but other nations also ; so
 “ that if we left that trade, the Hollan-
 “ ders would presently take it up, and then
 “ we must have all this supply from
 “ them, to the signal prejudice of our
 “ common capitals, and deduction of our
 “ manufacture.

“ And lastly, whereas it hath been ob-
 “ jected,

“ 1. That this liberty is the ready way to
 “ have no money at all left in this king-
 “ dom, and to set open the door to the Hol-
 “ landers, and others, to drain us of all
 “ money

“ money and bullion; we have considered,
 “ that when the merchants of this kingdom
 “ shall have like freedom here at home to
 “ export money and bullion directly hence,
 “ for the parts of East-India, Norway,
 “ and Turkey aforesaid, it will not turn to
 “ account for them, or any foreign nation,
 “ to export the same hence to their own
 “ country; *for then it will cease to be a*
 “ *commodity of traffic*; they will have no
 “ advantage over us, to oblige us to seek
 “ our monies that we have occasion for
 “ there; and money, of all commodities,
 “ is the worst, if it lies still, and if the
 “ penny be not daily turned.

“ That it is all one mischief to the no-
 “ bility, gentry, and freeholders of this
 “ kingdom, whether the money or bullion
 “ thereof, be drawn from them by the
 “ native or stranger merchant.

“ *Herein also we consider, that this nation*
 “ *hath, of its own growth, manufacture, and*
 “ *product, always enough to oblige the im-*
 “ *portation of money and bullion upon all oc-*
 “ *casions, beyond any other nation whatsoever*
 “ *in christendom.* That money and bullion
 “ once imported is like a river, which,
 “ over-

“ overflowing in its passage, doth always
 “ leave so much behind, as the neighbour-
 “ ing meadows for a long time after feel
 “ the benefit thereof.

“ And this nation hath had one notable
 “ experience, that when the Spaniard was
 “ permitted to export two thirds of the
 “ money he imported, and obliged to no
 “ more than one third to be brought into
 “ the king’s mint, it commonly happened
 “ that the mint got the whole, as the Spa-
 “ niard found the advantages here, to make
 “ better benefit to return the same into
 “ Flanders, or in the manufactures, or na-
 “ turalized commodities of this king-
 “ dom.

“ So that, to wind up all that has been
 “ said, the result of the several reasons and
 “ arguments herein summed up seemed
 “ to be this: That time and experience in-
 “ struct, and the present state of traffic
 “ throughout the world require, that, for
 “ the increase of the stock of money in
 “ these your Majesty’s kingdoms, some
 “ way of liberty for the exportation, at
 “ *least* of foreign coin and bullion, should
 “ be found out, and put in execution ;
 “ which

“ which hath produced the humble advice
 “ offered in the preceding paper.”

R E M A R K.

It appears to me, that the council of trade at that time were clear of opinion, that there could be no ill consequences ensue from permitting our *own coin*, as well as foreign coin, to be exported; but that it might be thought too bold a measure to undertake all at once, and therefore forbore to recommend it.

Foreign trade is carried on chiefly by barter, or the exchange of the goods of one country for those of another; but when there is a deficiency of returns on one side, that must be made up by bullion or coin, which coin the merchants receive and carry home as bullion, without any regard to its currency in the country from whence they brought it; so that, indeed, both the bullion and the coin brought away is looked upon by them as much a merchandize, or commodity, as a bale of silk or cotton, or any other thing.

When

When I say that coin, or money, is as much a commodity as a bale of silk or cotton, I beg leave to observe, that when I say so, I talk in the style, and with the idea, of a merchant. He, it is true, ships, lands, and calculates his profit and loss, upon an invoice of dollars or ingots, just in the same manner as he does his anchors of brandy; but when we consider money in a political light, it is very different from other commodities; it should be considered in two different lights, namely, as *commodity*, and as the *measure of property*; while all nations concur in making it their standard. For instance, should pepper or cloves be that universal measure of property instead of silver, I will agree, that silver would then be *simply* a commodity, in the same manner as iron or lead now is; but, silver *being the money*, it is also the essence of all property; the end and object of all traffic; the last stake to close all dealings; in short, the universal *make-weight in the balance of trade*, between man and man, and between nation and nation. When a nation has paid all its money away, of course it becomes a bankrupt;

rupt; because every other saleable thing must go before that can come to pass. This being allowed, there cannot be *more* nor *less* money brought into this nation, nor carried out of it, to stay for any length of time, than the *balance of trade requires*. If we bring over more bullion from abroad this year than the year's trade requires, it is no more than borrowing so much for our present exigencies, and which we must repay next year, either by a greater quantity of goods, or by sending the bullion back again. This proves that it is impossible thus to go on borrowing or importing more than the balance of trade requires for any *series of years*. The case is different in respect to any other commodity. We can have as much wine, rum, brandy, as we can drink, even though the balance of trade is against us, while we have goods or money to pay for it; more wine for one series of years, more silks for another series, according as caprice may dictate, or occasion may call for. But we can have no more money brought to this country, to stay any length of time, than the balance of trade requires. This, I hope, will explain

plain my idea how far money *is*, and *is not*, a commodity ^a. In this point of view, as gold is made a *current coin*, equally with silver, I comprehend it under the denomination of money, and even the bullion of each metal also. But I propose, in a future chapter, to explain the difference between gold being made a *current coin*, and being made the *fixed standard of property*.

If this nation had no other connexion with foreign countries than on the footing of trade, the yearly balance (or bullion brought in more than is carried out by the means) of trade would be the true estimate of the annual gains or savings; but, although the balance of *trade* may be greatly in our favour, there are *other circumstances* that prevent the bullion brought hither by that means from staying with us, *viz.*

^a I have been more particular in explaining this matter, because I find a contrary opinion is generally maintained among the gentlemen in the city; and though I differ from them, I am persuaded I concur with the opinion of his Majesty's council above cited.

Remittances

Remittances abroad, on account of foreign wars; and even in times of peace, since foreigners have lodged much money in our funds; the annual payment we make to them on this last account, is estimated at about one million and an half sterling; and is so much annual drawback from the increased bullion arising from trade: it is true, we might be considered as gainers of so much principal, when that stock was bought in; but at this time the interest remitted them must be considered as a drawback or annual loss.

Much has been said and written upon the vast sums of money remitted from hence, on account of ambassadors, and other English gentlemen, residing abroad: but I wave that consideration, on a supposition, that foreigners, including the gentlemen from Ireland, the American colonies, and the West-Indies, and those who have acquired fortunes in the East-Indies and other factories abroad, and who reside in this country, may, in a great measure, counterbalance the drawback arising from English gentlemen residing abroad.

D

Yet

Yet there are other demands for our bullion, which prevent a greater plenty appearing at market. The increased riches and luxury of individuals require more plate in their houses than formerly; and while in the state of household utensils, it is no longer a fluctuating commodity at market. And again,

The gold and silver made use of in gilding and washing, in our various manufactures, is an absolute consumption, or annihilation of bullion: and this appears to be an object deserving consideration in this place. I have been assured, by an eminent manufacturer at Birmingham, that that town uses in the gilding and washing of buttons, &c. gold and silver bullion to the amount of fifty thousand pounds sterling per annum, and upwards. We may therefore reasonably suppose, that the consumption of bullion by such means, throughout all the manufactories carried on in Great Britain, is very great. Though this is so much consumption of bullion, yet it is not so much loss to the nation, as great part of those buttons, &c. are exported
 2 abroad,

abroad, and consequently occasion fresh bullion to be brought hither.

When all these vast demands for bullion are considered, it is rather surprizing that we do not feel a *greater scarcity* thereof, than that there is not a *greater plenty*; and I think it proves, that the balance of merely our trade with foreign nations must be greater than most calculators have made it.

C H A P. III.

Difference between Gold being a current Coin, and being the fixed Standard Measure of Property.

I Understand that merchants in general esteem gold coin to be as much the *standard money*, or measure of property, of this kingdom, as the silver; and when I find myself obliged to differ from gentlemen so conversant in money matters, it is with the greatest caution and diffidence: but to this opinion I cannot entirely assent. Perhaps our difference in sentiment may arise from their conceiving money too much in the light in which it is viewed in the practice and usual transactions in trade; and, on the other hand, my conceiving of it too much in theory and speculation. I will allow, that silver money, in all considerable payments, is considered as ideal, and that gold is the only coin in which almost

almost all payments are now made ; yet I must still adhere to my opinion, that, in a political light, *silver* is still the real money or measure of property, *and not gold* ; and ought to be so, until the standard be changed by public authority. My reasons are as follow.

It is a matter of no consequence, how many shillings a pound of silver is coined into, provided that number has been the standard for any length of time ; as, silver having been always the standard-money, or measure of all property, every thing must bear a relative value to that shilling, be it more, or be it less. If the standard shilling contained more silver than it does, it would of course purchase more of any commodity. If it contained less, every thing would have been then measured according to its diminished value. As for instance, if a yard had contained, for time immemorial, only thirty inches, instead of thirty-six inches, it would be just the same thing ; for our ideas of space or dimension would have corresponded with that measure.

But the case is different with regard to the gold coins ; as they are not *money*, or *the measure of property*, either in this or any other well-regulated state, that I know of. Gold is no other than a precious commodity, of real and intrinsic value, which every state has thought proper to coin into pieces, to pass in payments in lieu of money, to which they fix a proportional current value, compared with the standard *silver money*.

The distinction between the gold coins being made, by authority, *current* in all payments, and being made the *standard money*, and the necessity of this distinction, I believe, in general is not clearly understood ; therefore I will endeavour to explain it as well as I am able.

There are fixed measures in every country, by which people judge of the weight, dimensions, or quantity, of every matter or thing : it is true, the quart or bushel, the yard or ell, may be different in one country from those of another ; the pound weight may be different in the different articles you purchase ; some Troy, some avoirdupois : or in liquors, some are measured

measured by the wine-measure, some by the beer-measure. But there can be but one pound, quart, bushel, yard, or ell, to measure the *same commodity*, in the *same country*. If there were, it would create the greatest confusion.

Now silver is, in all nations, *That one only standard money, or measure of all property*. If we had two measures, namely, gold and silver; (they being separate, and distinct things, and of course liable to vary intrinsically from each other in comparative value) the two measures might sometimes fail of exact *correspondence*; hence confusion would inevitably ensue; therefore a distinction has been made between making gold a current coin, and making it the *money*, or measure of property, equally with silver. That is to say, the current value of the gold coins must be governed by the intrinsic value of the silver coins; and not the silver coins governed by the intrinsic value of the gold coins, because the silver coins are the established money or measure of property; and this I propose explaining more fully hereafter.

It is, however, found to be a commodity very convenient to be made to pass in lieu of money ; particularly in large payments, where silver would be burthensome : but regard should always be had, in fixing its currency, that it never bears a less intrinsic value than the silver money it passes for ; in that case, we, in some measure, should exchange real for ideal wealth.

It is true, that some governments have sometimes fixed an arbitrary value upon their gold coins, in order to make a temporary gain ; but a well-regulated state should always take care to establish the gold currency as near as possible to its intrinsic value, compared with silver money. If at any time its comparative value should fall or rise to any considerable degree, its value, as currency, should be increased or lessened accordingly.

C H A P. IV.

The Propriety of making Gold the fixed Standard-Measure of Property, in Preference to Silver, considered.

I Now propose to take into consideration, How far it might be adviseable, at this time, to alter the standard money from silver to gold; as I find some ingenious men still favour that opinion, and think it might remedy the inconveniences we feel from the present scarcity of silver money; though I am afraid it would be only a temporary relief. I will here state the arguments which occur to me, that may be made use of for and against this measure.

Mr. Harris, and, I believe, Mr. Locke, have pleaded the precedent of ancient times, laying great stress upon that argument

ment, and say, that silver being then thought the most proper metal for standard-coin, therefore it ought not now to be altered.

Although I pay great deference to their judgements, and agree with them, that we ought always to be cautious of making innovations, in matters that former ages had duely considered: yet, at the same time, we should not have so superstitious a veneration for the wisdom of our ancestors, as to be afraid of altering a system, merely because in their days they deemed it beneficial or expedient, if it should now appear to us, that circumstances require an alteration. For it is very possible there were many things instituted five hundred years ago, that were wise and beneficial at that time, but equally absurd and pernicious if continued in our time; and if any such should now appear, it would be a reflection on us, not to adopt a measure more consistent to the present circumstances.

Mr. Harris gives a further reason, that gold is of too great value to be the standard-money, and the divisions would be
too