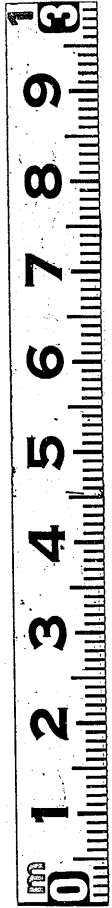


97-18

0408



n

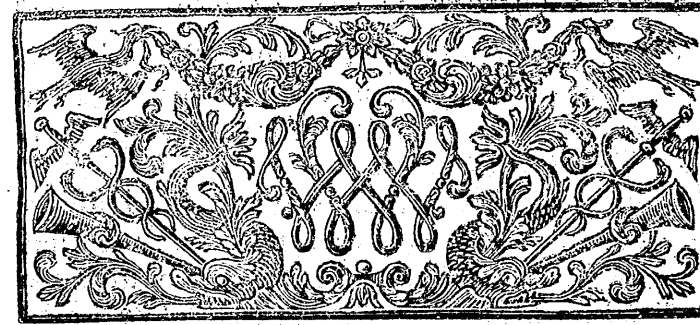


SOME
 CONSIDERATIONS
 ON THE
 EXPORTATION
 OF
 GOLD *and* SILVER,

The Means of procuring us a Plenty of both Species; the *apparent* Scarcity of SILVER, and the Reasons of it; the *Raising* of our SILVER COIN examin'd, and the proper Means to procure a Plenty of SILVER, and a free Circulation thereof; offered to the Publick.



z / SOME



SOME
CONSIDERATIONS
ON THE
EXPORTATION
OF
GOLD *and* SILVER, &c.



HERE has not been any great Article of Traffick or Commerce, so much mistaken and wrong judged by the Generality of Men among us, as that which relates to Gold and Silver, or Bullion ; which, 'tis argued and insisted on, ought not to be allowed a Commodity or Merchandize, nor suffered to go out, when once brought into the Kingdom. But I must take the Liberty of saying, that those who entertain such Notions are, in this Point, unacquainted with the true Interest of their Country, and with the Cause of the Riches that Commerce has brought into it ; and that Men of the most extensive Knowledge in all Trading

ing Countries have desired, and allowed Gold and Silver, or Bullion, a Commodity or Merchandize; and contended for suffering it to have a free Exportation.

Those Nations which have the Means of bringing in Gold and Silver to answer their Commodities carried out, are upon an equal Foot with other Countries, that have Mines in their Possession, and barter their Gold and Silver for Commodities; and in such Trading Countries, Gold and Silver become a Commodity as well as any other; a Commodity turned in Trade with Advantage and Encrease, and therefore more valuable in such a Country, than where it first was dug; and truly, Industry and Skill to improve Trade, and the apt Scituation of a Country for it, are more real Riches to a People, than even the Possession of Gold and Silver Mines; nor can any Quantity thereof, that may be dug out of the Mines bear any Proportion, with what may be made to arise from the whole Labour of a Trading and Industrious People; whose Stock, tho' small at first, is ever increasing, and the Increase still gaining Additions; so that the Augmentation arising upon the continual Increase, and the Gold and Silver gained from other Nations in Trade for Commodities still rolling on in Trade, makes a perpetual Addition; and this being constant, and the Increase still augmenting with the Stock, such a Nation may be truly said to have no Bounds to its Wealth nor Proportion, to the Productions (if I may so call them) of its trading Mines; which other Countries, whose Mines are merely so, must have; and who relying on that Produce, dig them for the Industrious

strious and become Beggars, notwithstanding their first Property of all the Gold and Silver in the World.

'Tis evident, that in *Spain* the strict Prohibition against exporting Gold and Silver, was an early Bar to their Industry; and rendered that Treasure in a great measure useless to the Body of the People: If it had been allowed a Commodity there, it would of course have put them upon Methods of turning it to more Advantage; whereas, while their Hands have been bound up by their own Laws, the Gold and Silver brought from thence, have been the very Tools, wherewith other Nations have wrought, and by which they have gathered so much Wealth: If this mistaken Policy had not at first diverted their Thoughts from TRADE, they might have set up Manufactures of their own, and then they would not have been drained so much by the Manufactures of other Countries; Trade would have bred them Seamen, and produced great Merchant Fleets, with which, and by the help of the vast Treasure they were Masters of, they might have carried the whole Commercial World before them.

But it may perhaps be objected, that as we have a great Trade for our Product and Manufactures to the several Parts of the World, and thereby bring home in general, a great Balance of Gold and Silver, besides other Returns in their Commodities for our Expence; we ought only to carry out Commodities in Trade, and let the Gold and Silver remain here among our selves, and by our Laws prevent the Exportation thereof, which is carry-

ing out that Treasure again, which comes to us as the Balance of our TRADE.

To this I answer, that Gold and Silver are no otherwise of intrinsic Value in themselves, than as they are a settled and constant Exchange for Commodities of all Kinds; which is manifest from hence, that in such Countries, as in Africa, where they are not the settled and constant Exchange for Commodities of all kind, they are of no more Use than any other Commodity, that is to be sold or disposed of; and Shells of Fishes, known by the Name of Cowries amongst Merchants, or of Blackamore's Teeth among other Persons, do to all Intents and Purposes answer the End of Money, that is, are a constant and settled exchange for all the Commodities in those Countries: And whereas particular Merchandize are in demand, some at one Place and some at another, these are Commodities wherein most of the Nations of the World agree that the Difference in the Exchange of all other Commodities is answered and made up, and thereby of general Use almost every where; therefore being thus subservient to TRADE, it is the very Destruction of it to take it from thence; and as to the Fancy of keeping of it here, and having it in greater Plenty thereby, it is only a Loss to the Nation; 'tis keeping such a dead Stock to that Value which gives no manner of Encrease, and is of no more Use to the Encrease of the Publick Stock, (however shifted in private Hands) than the like value in Statues, Paintings, Buildings, &c. while it so continues; and the use of it likewise among us, serves to no other End than the convenient transacting of Payments with one

one another; and when that End is served, the Plenty of Money will be rather a natural Loss, (besides its lying dead) as it will thereby enhance the Price of our own Goods to our selves, and yet lessen the Demand of Foreigners, and consequently ruin the TRADE, and impoverish the People; as for Example, suppose only, that the Forty odd Millions that the Government now owe, were by some Accident found under the Ruins of White-hall in Species of Silver or Gold, and were immediately issued out to the Publick Creditors, and the Nation thereby freed from the Load of Debt that lies upon it; 40 Millions Encrease of Species added to the Gold and Silver Species we have already, would be a Burthen to the Nation; for, first, Interest of Money would, by the Rule of Proportion, sink to one per Cent. or rather to Nothing, or else all the Utensils of our Houses must be made of those Mettals, or it must lie dead in the Cash-Chest, without any Prospect of ever removing thence; for I make no doubt but such as are against exporting it now, (if their Arguments are of any Weight with them) would be of the same Mind then. The Prejudice such an Encrease of the Species of Gold and Silver would be of to us, is easily explained; for having more Plenty of it, we should give more Wages to the labouring Person, the Manufacturer, and for the Native Commodities of Wool, Lead, Tin, Corn, and so on; so that besides, that such Persons as now live by making some small Interest of their Money; as Gentlemen, that are so wise as to lay up some Part of their Yearly Income, Widows and Minors, would not only be incapacitated to make any Improvement of their Money, but

336 Considerations on our

must pay more for their Cloaths and other Necessaries than they did before. But the greatest Mischief of all is, that there would be no Employment for our Manufactures; for Foreigners could not afford to buy our Manufactures at the enhanced Value, which our own Plenty of Money would have rais'd them to; therefore unless Money were permitted a Freedom of going and coming, just as Peoples Occasions require; (*for no Person exports Money for his Pleasure;*) I say, we should not even in the Case of so extravagant an Addition to our Gold and Silver, be one Jot richer than we are at present. Besides, should I grant it convenient for us to keep within our selves all the Bullion we can get, this is not to be done by any Laws, it must be by the good Management of our Trade. The Spaniards made it Death by their Law to export it; nevertheless, all the Trading World know that it used to be carried off at Noon-Day, and the Balance they pay for Manufactures of other Countries, carries away their Money, notwithstanding all their Laws to prevent it; leaving them Poor with the Possession of the Indies. 'Tis therefore taking due Care that the Exportation of our Native Commodities shall always over-balance the Importation of Foreign Commodities, that must keep our Money at home, and that only can do it.

For, if upon the Balance of the Exports and Imports of our other Commodities, we are Gainers, and thereby Payments are made to us in Gold and Silver by other Countries, (for the Balance can be paid us in nothing else at last) that Gold and Silver being suffer'd to be made a Commodity to fetch Goods from some Coun-

MONEY, BULLION, &c. 337

Countries (whence we cannot have them for any thing else) for Re-exportation to other Countries, would become a beneficial Article in our Trade, and return a great Balance in its own kind, (our Trade otherwise in Products and Manufactures, still over-balancing as before) and would add vastly to our general Stock; and without such a Freedom in Trade, a superfluous Plenty of Money (as I have already shewn) would be rather injurious to us.

Besides, if by the Right Management of our Trade the Balance is on our side, and we get by the sending out our Money to purchase such Goods, as may again be sold to other Countries, we shall by such an Encrease as this must give us, always be Masters of the Exchange all over the World, (a very great Article in Trade) for having no Debts to pay Abroad, and Money to receive every where, the Exchange will by that means always be in our Favour, and thereby on Emergencies in other Countries, or upon any Alterations of Coin among them, or other such Occasion, our Gold and Silver will give us a great Advantage over them, and sent out upon such Occasions, returns with great Encrease.

I hope, what I have here said, may be sufficient to shew that Gold and Silver, or Bullion, is a Commodity, and is to be made use of to Advantage in Trade, as well as other Commodities are, and therefore ought to have a free Exportation, as subservient to the Encrease of our Capital Stock; but I must allow that if we carry on such a Trade, as, importing consumable Commodities to be spent among us, more than our own Commodities will answer the Balance, which will thereby be paid in

Gold

338 Considerations on our

Gold and Silver, will be to our Detriment ; and that we may send out our Gold and Silver to buy Commodities of Vanity and Luxury to be spent among our selves, by which Means the Nation will be drained of its Gold and Silver without any Return ; and be even attended with a Decay of our own Manufactures ; but if this should be our Case, which I have shewn in the former Part of this Treatise it is not ; it is not however to be remedied by any Laws against the Exportation of our Gold and Silver, but by the due Regulation of our Trade, and retrenching our Consumption of such foreign Goods, and by our frugal manner of Living ; the Exportation of our Gold and Silver, being not the Cause of such our Loss, but the natural and unavoidable Effect of such our Trade, Vanity and Luxury ; which I desire may be thoroughly distinguished and maturely consider'd.

Having thus shewn, that it is for the Interest of the Kingdom to allow a free Exportation of Gold and Silver, I shall next consider the general Complaint, which is made of the Scarcity of our Silver Coin, and give some probable Reasons from whence it arises.

I am sensible 'tis generally believ'd, that the *East-India* Trade drains the Nation of great Sums annually, and that in Time it will leave us none ; but as I have given my Thoughts in the foregoing Discourses concerning this Trade, and have here declared, that it is apparently for the Interest of the Nation, to allow Gold and Silver a free Exportation, I shall refer my Readers to what is said above for such Exportation ; (the *East-Indies* being one of those Places whither we export our Silver for such Commo-

MONEY, BULLION, &c. 339

Commodities as are again exported for the *Streights, Holland,* and other Places, from whence by the Balance of our Trade, we recover that Money again, with an Addition of Profit) and I shall further refer them to my Second and Fourth Discourses, for the Profit or Loss arising from that Trade, and proceed to other Points relating to this Article.

Money is certainly necessary to the carrying on of Trade, for where that fails, Men cannot buy, and Trade immediately stops ; for Credit (which is to supply that defect) is only the Expectation and Assurance of Money, when it is demanded ; nevertheless it is a great Mistake, tho' a very common one, to think that Money is the Cause of a good or bad Trade, since 'tis not Money that so much influences Trade ; as it is Trade that discovers the Money, which is the *Medium* whereby Trade is the more conveniently managed, but not the Spring from whence it arises ; and thus when Trade is quick and brisk, then Money, the *Medium*, is more in view, than when Trade is dull and dead ; and thus by changing Hands oftner, a Hundred Pounds makes as great an Appearance as a much greater Sum.

This being premised it will follow, that the Appearance or View of Money, will be more or less, according to the Extensiveness of our Trade, and the more frequent or less use of its *Medium* whereby it is carried on ; which brings me to consider,

1. That as to our Foreign Trade, tho' we have all along had a great Balance annually on our Side, nevertheless 'tis probable that this Balance has been chiefly paid us in Gold. The several Gold Mines which have been discovered

vered within these late Years, having render'd Gold more plenty throughout *Europe*, in Proportion to Silver than formerly, which has not only been the Occasion, that we have had so little Silver brought into the Kingdom, in proportion to what we had formerly, but likewise that the Balance of Trade has been paid us in Gold; which is certainly one good Account of the greater Appearance of Gold in proportion to Silver, than heretofore; and therefore Gold at 21 s. 6 d. per Guinea, is now a great deal higher in proportion to Silver, than before the Discovery of the great *Brazil* Mine of Gold, which has been now about fifteen Years.

2. That in our Trade at Home, the extensiveness of our Credit is such, that all our large Payments are made generally in *Exchequer-Bills*, Bank or Goldsmiths Notes, or other Bills of Credit, which are shifted and exchanged from one to another, mutually in a very easy manner, and prevents the Trouble and Loss of Time in the Tale of Money, whereby a quicker Dispatch is given to Business; and whatever small Sums are wanted on necessary Occasions, are generally paid in Gold, as more portable and convenient; and from hence also it arises, that tho' our Trade is greater at Home than ever, yet the principal *Medium* of carrying it on, which was Money, being altered, and Bills and Notes being now become the general *Medium*, we do not see our Silver so current, altho' from the very Reason of this Extensiveness of Credit, we are led to judge, that Money in proportion to such Bills of Credit, must be lodged in the Hands of those, on whom they are assigned, and ready to be paid should they be

be called for; but this Credit prevents People, as formerly, from keeping Sums in Chests by them, which is now lodged in the Hands of the Publick, or such publick Cashiers as make their own Bills, by their readiness to pay them when demanded, current in lieu of Specie.

3. I must likewise take Notice, that Money is requisite to Trade, in proportion to the Number of People, and Extensiveness of such Trade; and that a larger Trade, and greater Number of People, require more Specie current among them for their necessary Expences, as well as for the carrying on of their Trade. And if we consider, that *Great-Britain* never had so many People as at this Time, nor gave Employment to such a Number of Hands in Manufactures of all sorts, and in Buildings, and all other Works, the Demand of that Circulation of Money which must constantly go among the inferior Mechanicks, Manufacturers, and Labourers, now more employed than ever, and among the Number of People subsisted on our Product now, greater than heretofore; I say, the Demand of that necessary Quantity of Money (which is mostly Silver) is now much greater by these Means, and therefore even the same Specie in Silver on this Account only, among this additional Number of Demandants will seem scarce, which heretofore among a less Number was sufficient, and answered all Demands.

4. To this I shall add, that the real *Scarcity* of Silver in *Europe*, in proportion to Gold, has caused it to be hoarded up, by reason it now bears a greater Value with respect to Gold, than formerly, and which is foreseen will increase; wherefore the Cashiers or Depositors of

of the Publick Money, chuse rather to pay such Sums as are required for Circulation in Gold.

5. The great Ostentation and Encrease of Silver Plate of all kinds, now in a much greater Degree in all Families than ever known before; and this has converted (if not our Coin) the Bullion we should have otherwise probably made into Specie, into so much dead Stock, for Vanity and Ornament in Utensils of Silver.

Thus have I (without having recourse to its Exportation) shown, how our Silver Coin may apparently be much less, and more scarce than formerly; and that for five Reasons.

1. That the Balance of our Trade formerly paid mostly in Silver, is now paid in Gold, by reason of the great Increase of Gold, by the Mines of *Brazil*, discover'd but a few Years ago.

2. That the *Medium* of our Home Trade, which was Money, being changed into Paper Credit, our Specie is thereby lock'd up, and not current in Trade, as formerly.

3. That the Number of People and Manufacturers being encreased in *Great Britain*, more Silver is necessarily demanded to be current among them than formerly, and the same Specie now as heretofore, would at this Time be a visible Scarcity.

4. That Silver being now more valuable in Weight, with respect to Gold throughout *Europe*, than formerly, occasions the Hoarding of it. And,

5. That a greater Quantity of Silver Plate, &c. is now used, in comparison of what was formerly.

I believe, I may have hereby shewn some probable Reasons of the *apparent* Scarcity of Silver; and I am upon the Whole, and on the best Enquiry I can make, and Computations I can get, induc'd to believe that our Coined Silver is *not less* at this Time within the Kingdom, than at any time heretofore; and that the *Appearance* of its being so, is owing to some of the Causes above-mentioned, and to some other I shall mention; and I am fully convinced, that notwithstanding what some warm Men for *Raising* the Silver Coin may conjecture, and would willingly have to be believed; by my own Observations, and by the Considerations of the Penalties of our Laws on the one Hand; and from the Information I have had, who have been the Persons that have of late Years, not only imported or coined Quantities of Gold, but sold the *East-India* Company the Silver they have Exported, on the other; that we have not been drained to any great degree of our Coined Silver, either by the *East-India*, or any other Trade.

I might likewise have taken Notice of the Trade of sending out Silver for Gold here, as a lessening of the Species of Silver, but shall mention that under my last Head, and proceed now to examine into the Remedy proposed for keeping our Silver among us, *viz.* The *Raising* the Value of our Silver Coin.

This having been a Question before, and of great Concern to the Publick, was fully treated on by Mr. *Lock*, to whom I must refer my Readers for their full Satisfaction, not being able to add any thing to what this great Man has so fully discuss'd; and which he has evidently shewn is entirely against our Interest; but

but as his Reasonings may not have been so publickly known, as it were to be wish'd they had, I shall here insert some Passages from him, in his Discourse on this Subject.

THE *Raising of Money* then signifies one of these two Things; either *raising the Value of our Money*, or *Raising the Denomination of our Coin*.

The *Raising of the Value of Money*, or any thing else, is nothing, but the making a less Quantity of it exchange for any other thing than would have been taken for it before. v. g. If 5 s. will exchange for, or (as we call it) buy a Bushel of Wheat; if you can make 4 s. buy another Bushel of the same Wheat, it is plain the *Value of your Money is raised*, in respect of Wheat One Fifth. But thus nothing can *raise or fall the Value of your Money*, but the Proportion of its Plenty, or Scarcity, in Proportion to the Plenty, Scarcity, or Vent of any other Commodity, with which you compare it, or for which you would exchange it. And thus Silver, which makes the *Intrinsic Value of Money*, compar'd with itself, under any Stamp or Denomination of the same or different Countries, cannot be *raised*. For an Ounce of Silver, whether in *Pence, Groats, or Crown Pieces, Shillings or Ducatoons*, or in Bullion, is and always eternally will be, of equal Value to any other Ounce of Silver, under what Stamp or Denomination soever; unless it can be shewn, that any Stamp can add any new and better Qualities to one Parcel of Silver, which another Parcel of Silver wants.

All then that can be done in this great Mystery of *Raising Money*, is only to *alter the Denomination*

nomination, and call that a Crown now, which before by the Law was but a part of a Crown. For Example: Supposing, according to the Standard of our Law, 5 s. or a Crown, were to weigh an Ounce, (as it does now, wanting about 16 Grains) whereof one twelfth were Copper, and eleven twelfths Silver, (for thereabouts it is) 'tis plain here 'tis the Quantity of Silver gives the Value to it. For let another Piece be Coin'd of the same Weight, wherein half the Silver is taken out, and Copper or other Alloy put into the place, every one knows it will be worth but half as much. For the Value of the Alloy is so inconsiderable as not to be reckoned. This Crown now must be rais'd, and from henceforth our Crown Pieces Coin'd one Twentieth lighter; which is nothing but changing the Denomination, calling that a Crown now, which Yesterday was but a part, viz. Nineteen twentieths of a Crown; whereby you have only raised 19 parts to the Denomination formerly given to 20. For I think no Body can be so senseless, as to imagine, that, 19 Grains or Ounces of Silver can be raised to the Value of 20; or that 19 Grains or Ounces of Silver shall at the same Time exchange for, or buy as much Corn, Oyl, or Wine, as 20; which is to raise it to the Value of 20. For if 19 Ounces of Silver can be worth 20 Ounces of Silver, or pay for as much of any other Commodity, then 18, 10, or 1 Ounce may do the same. For if the abating One twentieth of the Quantity of the Silver of any Coin, does not lessen its Value, the abating Nineteen twentieths of the Quantity

of the Silver of any Coin, will not abate its Value. And so a single Three-pence, or a single Penny, being call'd a Crown, will buy as much Spice, or Silk, or any other Commodity, as a Crown-piece, which contains 20 or 60 times as much Silver; which is an Absurdity so great, That I think no Body will want Eyes to see, and Sense to disown.

Now, this Raising your Money, or giving a less Quantity of Silver the Stamp and Denomination of a greater, may be done two ways.

1. By raising one Species of your Money.

2. By raising all your Silver Coin at once, proportionably; which is the thing I supposed, now propos'd.

1. The raising of one Species of your Coin, beyond its intrinsick Value, is done by Coining any one Species, (which in Account bears such a Proportion to the other Species of your Coin) with less Silver in it, than is required by that Value it bears in your Money.

For Example. A Crown with us goes for 60 Pence, a Shilling for 12 Pence, a Tester for 6 Pence, and a Groat for 4 Pence: And accordingly, the Proportion of Silver in each of them, ought to be at 60. 12. 6. and 4. Now, if in the Mint there should be coin'd Groats, or Testers, that being of the same Alloy with our other Money, had but Two thirds of the Weight, that those Species are Coin'd at now; or else, being of the same Weight, were so alloy'd as to have One third of the Silver required by the present Standard changed into Copper; and should thus;

by Law, be made Current; (the rest of your Silver Money being kept to the present Standard in Weight and Fineness) 'tis plain, those Species would be raised One third Part; that passing for 6 d. which had but the Silver of 4 d. in it; and would be all one as if a Groat should by Law be made Current for 6 d; and every 6 d. in Payment pass for 9 d. This is truly raising these Species: But is no more in effect, than if the Mint should Coin clip'd Money. And has, besides the Cheat that is put by such base or light Money, on every particular Man, that receives it, that he wants One Third of that real Value which the Publick ought to secure him, in the Money, it obliges him to receive as Lawful and Current: It has, I say, this great and unavoidable Inconvenience to the Publick, That, besides the Opportunities it gives to Domestick Coiners to Cheat you with lawful Money, it puts it into the Hands of Foreigners to fetch away your Money without any Commodities for it. For if they find that Two-Penny weight of Silver, marked with a certain Impression, shall here in England be equivalent to 3 d. Weight mark'd with another Impression; they will not fail to stamp Pieces of that Fashion; and so Importing that base and low Coin, will, here in England, receive 3 d. for 2 d. and quickly carry away your Silver in exchange for Copper, or barely the Charge of Coynage.

This is unavoidable in all Countries where any one Species of their Money is disproportionate in its intrinsick Value, (i. e. in its due Proportion of Silver to the rest of the Money of that Country;) an Incon-

venience so certainly attending the Allowance of any base Species of Money to be Current, that the King of France could not avoid it, with all his Watchfulness. For, tho', by Edict, he made his 4 Sols Pieces, (whereof 15 were to pass for a French Crown, tho' 20 of them had not so much Silver in them, as was in a French Crown Piece) pass in the Inland Parts of his Kingdom, 15 for a Crown in all Payments; yet he durst not make them Current in his Sea-Port Towns, for fear, that should give an Opportunity to their Importation. But yet this Caution served not the Turn. They were still Imported; and, by this means, a great Loss and Damage brought upon his Country. So that he was forced to cry them down, and sink them to near their intrinsic Value; whereby a great many particular Men, who had Quantities of that Species in their Hands, lost a great Part of their Estates; and every one that had any, lost proportionably by it.

2. The other way of raising Money, is by Raising all your Silver Money at once, the proportion of a Crown, a Shilling, and a Penny, in reference to one another, being still kept, (viz. That a Shilling shall weigh One fifth of a Crown Piece, and a Penny weigh One twelfth of a Shilling, in Standard Silver) but out of every one of these, you abate One twentieth of the Silver, they are wont to have in them.

If all the Species of Money be, as 'tis call'd, rais'd by making each of them to have One twentieth less of Silver in them than formerly; and so your whole Money be lighter than it was: These following will be some of the Consequences of it. It

It will rob all Creditors of One twentieth (or 5 per Cent.) of their Debts, and all Landlords One twentieth of their Quit-Rents for ever; and in all other Rents as far as their former Contracts reach, of 5 per Cent. of their yearly Income; and this without any Advantage to the Debtor, or Farmer. For he receiving no more Pounds Sterling for his Land or Commodities, in this new lighter Coin, than he should have done of your old and weightier Money, gets nothing by it. If you say yes, he will receive more Crown, Half-Crown, and Shilling Pieces, for what he now Sells for new Money, than he should have done if the Money of the old Standard had continued; you confess your Money is not Raised in Value, but in Denomination; since what your new Pieces want in Weight, must now be made up in their Number. But which way soever this falls, 'tis certain, the Publick (which most Men think, ought to be the only Reason of changing a settled Law, and disturbing the common current Course of Things) receives not the least Profit by it: Nay, as we shall see by and by, it will be a great Charge and Loss to the Kingdom. But this, at first sight, is visible; That in all Payments to be received upon precedent Contracts, if your Money be in effect Raised, the Receiver will lose 5 per Cent. For Money having been Lent, and Leases and other Bargains made, when Money was of the same Weight and Fineness that it is now, upon Confidence, that under the same Names of Pounds, Shillings and Pence, they should receive the same Value, i. e. the same Quantity of Silver, by giving the Denomination now to less

Quantities of Silver by One twentieth, you take from them 5 per Cent. of their due.

When Men go to Market to buy any other Commodities with their new, but lighter Money, they will find 20 s. of their new Money will buy no more of any Commodity, than 19 would before. For it not being the Denomination but the Quantity of Silver, that gives the Value to any Coin, 19 Grains or Parts of Silver, however denominated or marked, will no more be worth, or pass for, or buy so much of any other Commodity as 20 Grains of Silver will, than 19 s. will pass for 20 s. If any one thinks a Shilling, or a Crown in Name, has its Value from the Denomination, and not from the Quantity of Silver in it, let it be tried; and hereafter let a Penny be called a Shilling, or a Shilling be called a Crown. I believe no Body would be content to receive his Debts or Rents in such Money: Which tho' the Law should raise thus, yet he foresees he should lose Eleven twelfths by the one, and by the other Four fifths of the Value he received; and would find his new Shilling, which had no more Silver in it than One twelfth of what a Shilling had before, would buy him of Corn, Cloth, or Wine, but One twelfth of what an old Shilling would. This is as plainly so in the Raising, as you call it, your Crown to 5 s. and 3 d. or (which is the same thing) making your Crown One twentieth lighter in Silver. The only difference is, that the Loss is so great, (it being Eleven twelfths) that every Body fees, and abhors it at first Proposal; but in the other (it being but One twentieth, and covered with the deceitful Name

of Raising our Money) People do not so readily observe it. If it be good to raise the Crown Piece this way One twentieth this Week, I suppose it will be as good and profitable to raise it as much again the next Week. For there is no reason, why it will not be as good to raise it again another One twentieth the next Week, and so on; wherein if you proceed but 10 Weeks successively, you will by New-Years-Day next, have every Half-Crown raised to a Crown, to the Loss of one half of Peoples Debts and Rents, and the King's Revenue, besides the Confusion of all your Affairs. And if you please to go on in this beneficial way of Raising your Money, you may by the same Art, bring a Penny-weight of Silver to be a Crown.

Silver, i. e. the Quantity of pure Silver separable from the Alloy, makes the real Value of Money. If it does not, Coin Copper with the same Stamp and Denomination, and see whether it will be of the same Value. I suspect your Stamp will make it of no more worth, than the Copper Money of Ireland is, which is its Weight of Copper, and no more. That Money lost so much to Ireland, as it passed for above the Rate of Copper. But yet I think no Body suffered so much by it, as he, by whose Authority it was made current.

Those who have had the Care, and Government of Politick Societies, introduced Coinage, as a Remedy to those two Inconveniencies. The Stamp was a Warranty of the Publick, that under such a Denomination they should receive a Piece of such a Weight, and such a Fineness; that is, they

A a 4

' should receive so much Silver. And this is
 ' the Reason, why the counterfeiting the Stamp
 ' is made the highest Crime, and has the
 ' Weight of Treason laid upon it: Because
 ' *the Stamp is the publick Voucher* of the intrin-
 ' sick Value. The Royal Authority gives the
 ' Stamp; the Law allows and confirms the
 ' Denomination: And both together give, as
 ' it were, the publick Faith, as a Security,
 ' that Sums of Money contracted for under
 ' such Denominations, shall be of such a Va-
 ' lue; that is, shall have in them so much Sil-
 ' ver. For 'tis Silver and not Names that
 ' pay Debts and purchase Commodities. If
 ' therefore I have contracted for Twenty
 ' Crowns, and the Law then has required,
 ' that each of those Crowns should have an
 ' Ounce of Silver; 'tis certain, my Bargain is
 ' not made good, I am defrauded (and whether
 ' the publick Faith be not broken with me, I
 ' leave it to be considered) if, paying me
 ' Twenty Crowns, the Law allows them to be
 ' such as have but Nineteen twentieths of the
 ' Silver, they ought to have, and really had in
 ' them, when I made my Contract.

' It diminishes all the King's Revenue
 ' *5 per Cent.* For though the same Number
 ' of Pounds, Shillings, and Pence are paid
 ' into the *Exchequer* as were wont, yet these
 ' Names being given to Coin that have each
 ' of them One twentieth less of Silver in them;
 ' and that being not a Secret concealed from
 ' Strangers, no more than from his own Sub-
 ' jects, they will sell the King no more Pitch,
 ' Tar, or Hemp, for 20 Shillings, after the
 ' *Raising* your Money, than they would before
 ' for 19: or, to speak in the ordinary Phrase,
 ' they

' they will raise their Commodities *5 per Cent.*
 ' as you have raised your Money *5 per Cent.*
 ' And 'tis well if they stop there. For usually
 ' in such Changes, an Out-cry being made of
 ' your Lessening your Coin, those who have to
 ' deal with you, taking the Advantage of the
 ' Alarm, to secure themselves from any Loss
 ' by your new Trick, raise the Price even be-
 ' yond the *Par*, of your lessening your Coin.

' I hear of two Inconveniencies complain-
 ' ed of, which 'tis proposed by this Project to
 ' Remedy.

' The one is, *The melting down of our Coin.*
 ' The other, *The carrying away of our Bullion.*
 ' These are both Inconveniencies which, I fear,
 ' we lie under: But neither of them will be in
 ' the least removed, or prevented, by the pro-
 ' posed Alteration of our Money.

' 1. It is past doubt, that our *Money is melt-*
 ' *ed down.* The Reason whereof is evidently
 ' the Cheapness of Coinage. For a Tax on
 ' Wine pay the Coinage, the particular
 ' Owners paying nothing for it. So that 100
 ' Ounces of *Silver Coin'd*, comes to the Owner
 ' at the same Rate, as 100 Ounces of Standard
 ' Silver in *Bullion*. For delivering into the Mint
 ' his Silver in Bars, he has the same Quantity
 ' of Silver delivered out to him again in Coin,
 ' without any Charges to him. Whereby, if at
 ' any time he has occasion for Bullion, 'tis the
 ' same thing to melt down our mill'd Money,
 ' as to buy *Bullion* from Abroad, or take it in
 ' Exchange for other Commodities. Thus our
 ' *Mint*, to the only Advantage of our Officers,
 ' but at the publick Cost, *Labours in vain*, as
 ' will be found. But yet this makes you not
 ' have one jot less Money in *England*, than you
 ' would

354 Considerations on our

would have otherwise ; but only makes you
 Coin that, which otherwise would not have
 been Coin'd, nor perhaps been brought hi-
 ther : And being not brought hither by an
 Over-balance of your Exportation, cannot
 stay when it is here. *It is not any sort of Coin-
 age, does, or can keep your Money here : That
 wholly and only depends upon the Balance of your
 Trade.* And had all the Money in King Charles
 the II^d. and King James the II^d's Time, been
 Minted according to this new Proposal, this
 rais'd Money would have been gone as well
 as the other, and the Remainder been no more,
 nor no less than it is now. Tho' I doubt not
 but the Mint would have Coin'd as much of
 it as it has of our present mill'd Money. The
 short is this. An Over-balance of Trade
 with *Spain*, brings you in Bullion ; cheap
 Coinage, when it is here, carries it into the
 Mint, and Money is made of it ; but if your
 Exportation will not Balance your Importa-
 tion in the other Parts of your Trade, away
 must your Silver go again, whether Monied
 or not Monied. For where Goods do not,
 Silver must pay for the Commodities you
 spend.

That this is so, will appear by the Books
 of the Mint, where may be seen how much
 mill'd Money has been Coin'd in the two last
 Reigns. And in a Paper I have now in my
 Hands, (supposed written by a Man not
 wholly ignorant in the Mint) 'tis confessed,
 That whereas One third of the Current Pay-
 ments were some time since of mill'd Money,
 there is not now One twentieth. Gone then
 it is. But let not any one mistake, and think
 it gone, because in our present Coinage, an
 Ounce

MONEY, BULLION, &c. 355

Ounce wanting about 16 Grains, is denomi-
 nated a Crown : Or that (as is now proposed)
 an Ounce wanting about 40 Grains, being
 Coined in one Piece, and denominated a
 Crown, would have stop'd it, or will (if our
 Money be so alter'd) for the future fix it here.
 Coin what Quantity of Silver you please, in
 one Piece, and give it the Denomination of
 a Crown ; when your Money is to go to pay
 your Foreign Debts, (or else it will not go out
 at all) your heavy Money, (*i. e.* that which is
 Weight according to its Denomination, by the
 Standard of the Mint) will be that, which
 will be melted down, or carried away in
 Coin by the Exporter, whether the Pieces of
 each Species be by the Law bigger or less.
 For whilst Coinage is wholly paid for by a
 Tax, whatever your size of Money be, he
 that has need of Bullion to send beyond Sea,
 or of Silver to make Plate, need but take
 mill'd Money, and melt it down, and he has
 it as cheap as if it were in Pieces of Eight,
 or other Silver coming from abroad ; the
 Stamp, which so well secures the Weight and
 Fineness of the mill'd Money, costing no-
 thing at all.

The Raising of your Money cannot then
 (the Act for free Coinage standing) hinder its
 being melted down.

Nor, in the next place, much less can it, as
 it is pretended, hinder the Exportation of our
 Bullion. Any Denomination or Stamp we
 shall give to Silver here, will never give Sil-
 ver a higher Value in *England*, nor make it
 less prized Abroad. So much Silver will al-
 ways be worth (as we have already shew'd
 so much Silver given in exchange for another.

Nor

356 Considerations on our

Nor will it, when in your Mint, a less Quantity of it is raised to a higher Denomination, (as when Nineteen twentieths of an Ounce has the Denomination of a Crown, which formerly belonged to the whole 20) be one jot rais'd, in respect of any other Commodity. You have rais'd the Denomination of your stamp'd Silver One twentieth, or which is all one 5 per Cent. And Men will presently raise their Commodities 5 per Cent. So that if Yesterday 20 Crowns would exchange for 20 Bushels of Wheat, or 20 Yards of a certain sort of Cloth, if you will to Day Coin current Crowns One twentieth lighter, and make them the Standard, you will find 20 Crowns will exchange for but 19 Bushels of Wheat, or 19 Yards of that Cloth, which will be just as much Silver for a Bushel, as yesterday. So that Silver being of no more real Value, by your changing your Denomination, and giving it to a less Quantity; this will no more bring in, or keep your Bullion here, than if you had done nothing.

The having the Species of our Coin One fifth bigger, or One fifth less than they are at present, would be neither good nor harm to England, if they had always been so. Our Standard has continued in Weight and Fineness, just as it is now, for very near this hundred Years last past: And those who think the Denomination and Size of our Money have any Influence on the State of our Wealth, have no reason to change the present Standard of our Coin; since under that we have had a greater Encrease, and longer Continuance of Plenty of Money, than perhaps any other Country can shew; I see no reason

to

MONEY, BULLION, &c. 357

to think, that a little bigger or less Size of the Pieces Coin'd, is of any Moment one way or t'other. The Species of Money in any Country, of whatsoever Sizes, fit for Coining, if their Proportions to one another be suited to Arithmetick and Calculations, in whole Numbers, and the Ways of Account in that Country, if they are adapted to small Payments, and carefully kept to their just Weight and Fineness, can have no Harm in them. The Harm comes by the Change, which unreasonably and unjustly gives away and transfers Mens Properties, disorders Trade, puzzles Accounts, and needs a new Arithmetick to cast up Reckonings, and keep Accounts in; besides a thousand other Inconveniences.

After these Arguments from Mr. Locke, I shall here only add, that the bare Apprehension that we should raise the Denomination of our Money, has not only had the bad Effect of tempting People here at Home to hoard it up, but Foreigners have been making their Advantage of it already, and always have and will in such Case, and They certainly are in the right of it, if we give them Opportunity: For Proof of this Reasoning, I shall give two undeniable Instances; the first is, that at the Time of Re-coining our Money, in 1696, 1697, it influenc'd thus all our foreign Exchanges, and on all such, it was the constant Practice to make a Difference between new Money and old, or such Bank or Goldsmith's Notes as were payable in old or new Money; and the Exchange for Holland, for Example, was 35 s. 6d. for their Money, for a Pound Sterling in new Money; and

at

358 Considerations on our

at the same time but 31 s. or 31 s. 6d. per Pound Sterling to be paid in Bank or Goldsmith's Notes, or old Money, wherein there was a Loss to exchange the same into new Money; of 14, 15, or 16 per Cent. The other Instance is what happened lately within these six or eight Months. The Dutch (notwithstanding the overbalance we have upon them in TRADE as I have shewn in the preceding Part of this Book) have sunk the Exchange upon us 4 or 5 per Cent. purely and simply, upon the Apprehension, that what is become the publick Talk, will come to pass, viz. That we shall raise, that is, as They truly understand it, DEPRECIATE our Silver Standard. I defy any Man in England to give me any other tolerable Account how the Exchange should fall for so long a Time together, when our Trade is so brisk to Holland, as it has lately been, and more especially after so very great a Sale of East-India Goods, which have been bought and carried to Holland to an exceeding Value; and should we go on to depreciate our Silver, we should find the Exchange to all the Parts of the World would alter in proportion to the Deteriority of our Standard.

Thus it appearing that the raising of the Value of our Silver Coin would by no Means answer the intended End, viz. prevent the Exportation or melting of it, and occasion the free Currency of that Species; and since the Nation did not think fit to raise (or to speak more properly to debase) our Silver, at the Time when our Money was recoin'd, I hope there is Vertue enough left in it to refuse it at present. It remains now to enquire what will be the proper Means to cause a Currency both

of

MONEY, BULLION, &c. 359

of Silver and Gold, and that is fixing the just Proportion between them, that neither shall prevail, which must be by lowering the Guineas, and giving a Freedom to export either Gold or Silver Monies on occasion. For I think it will follow from the Premises, that the Exportation of either Species of Gold or Silver, ought not to be restrained by Law, but that such Restraint would be ineffectual for the End proposed, and were it effectual, would be a Disadvantage to our Commerce; and that the only way to preserve a Plenty of Gold and Silver among us, is to take care, that upon our general and universal Trade, the Balance be on our side, and this will always secure to us a Plenty of Bullion, or Gold and Silver, altho' that very Gold and Silver be sent out in the Course of that Trade; because the Balance upon Trade in the End cannot be paid by any thing but Gold and Silver.

But here it is necessary to consider, that as Gold and Silver are Commodities, and have a Value assigned them in exchange for other Commodities, so they have a proportionable Value in Reference the one to the other; and this Value being either settled or variable, fixes or alters the Proportion they bear the one to the other; and it is this Alteration of that Proportion observed in different Countries, occasions at different Times, either a Trade of Gold for Silver, or of Silver for Gold, according to the different Proportion they bear with respect the one to the other at different Times in any Country in Comparison with its Neighbours; and this in Reality (the Balance of Trade being kept as before) is the Reason of a Country's abounding at different Times with Gold or Silver, for if

you

you set your Silver at a higher Rate in Proportion to Gold than your Neighbours, they will import their Silver upon you, and carry away your Gold; and so on the contrary, when your Gold is set higher than your Silver, they will carry away your Silver and bring you Gold; and both these Exchanges are the Loss of so much to the Nation, as the Proportion of the Value of your Gold to your Silver, is more or less than your Neighbours, who will always make this Advantage of it to your Loss.

It is therefore very easy for any State to procure a Plenty of either Species, if they think fit, since it is only altering the Proportion of either to the other as above; but this will always be found so much Loss to that State, who shall make use of this Expedient; for other Countries keeping their Proportion, will not receive your Species of either sort at the raised Value, but only at the Intrinsic, viz. what the common Consent of Exchanges has made it.

By this Reasoning it will further appear, that a Country abounding in Commodities in demand among their Neighbours, need not be under any fear of wanting either Species of Gold or Silver, since at any Time in that Nation that is so stupid as to receive such Species at an advanced Rate or Proportion, in comparison with Rates or Proportions observed in other Countries, Foreigners will readily lay hold of the Opportunity, and crowd such demanded Species upon you, which will impoverish your People in proportion to the Value of the advanced Rate upon Money, beyond your Neighbours.

We have been fully convinced of the Truth of these Reasonings by our own Experience, in the Instance when our Guinea pass'd for 30 s. when

When Gold was so poured in upon us from Abroad, that had not the Parliament early taken Notice of it, and put a Stop to it, it had given us an incurable Blow; but the Reduction to 22 s. gave some check to it: nevertheless that Proportion not being the true, we were obliged to reduce the same nearer, by making them 21 s. 6 d. This high Price of our Gold among us, carried off our Silver, and brought us in Gold for it; on the other Hand, when at first our Guineas went at 20 s. being under the Proportion, our Gold was then carried off, and Silver given us for it.

It will therefore follow upon the Whole, that as the greater or lesser Quantity of Gold and Silver severally, give it severally its general intrinsic Value, with respect to its Proportion the one to the other; so the Rate of Proportion that any particular Country shall set on either Species, in reference to the other, more or less, than their Neighbours shall have Occasion, the Exchange of the one Species for the other, according to the high and low Value they in such Country bear, in proportion the one to the other, in respect of their Neighbours, and all such disproportioned Rates, are the certain Loss of the Nation making Use of them.

From all which 'tis apparently the Interest of a Country in the first Place, to keep the due Proportion of Value of the one Specie to the other, in comparison with their Neighbours, and then to set their Coins in both Species, as near the intrinsic Value as may be; and by this Means those Fluctuations of Gold for Silver and Silver for Gold, melting of Coin for Bullion, and bringing in Bullion for Coin alloy'd, all which is certain Loss to the Nation, will be avoided. B b And

And here I must again desire my Readers to consider what Mr. Locke has said about Raising one Species of Money above the other.

There is another way yet of raising Money which has something more of Reality, tho' as little good as the former in it. This too, now that we are upon the Chapter of Raising of Money, it may not be unseasonable to open a little. The Raising I mean is, when either of the two richer Metals, (which Money is usually made of) is by Law raised above its natural Value, in respect of the other. Gold and Silver have, in almost all Ages, and Parts of the World, (where Money was used) generally been thought the fittest Materials to make it of. But there being a great Disproportion in the Plenty of these Metals in the World, one has always been valued much higher than the other; so that one Ounce of Gold has exchanged for several Ounces of Silver: As at present, our Guinea passing for 21 s. 6 d. in Silver, Gold is now about Fifteen and an half times more worth than Silver; there being about Fifteen and an half times more Silver in 21 s. 6 d. than there is Gold in a Guinea. This, being now the Market Rate of Gold to Silver; if by an established Law the Rate of Guineas should be set higher, (as to 22 s. 6 d.) they would be raised indeed, but to the Loss of the Kingdom. For by this Law, Gold being raised 5 per Cent. above its natural true Value, Foreigners would find it worth while to send their Gold hither, and so fetch away our Silver at 5 per Cent. Profit, and so much Loss to us. For when so much Gold as would purchase

but

but 100 Ounces of Silver any where else, will in England purchase the Merchant 105 Ounces, what shall hinder him from bringing his Gold to so good a Market; and either selling it at the Mint, where it will yield so much, or having it Coin'd into Guineas: And then (going to Market with his Guineas) he may buy our Commodities at the Advantage of 5 per Cent. in the very sort of his Money; or change them into Silver, and carry that away with him?

On the other side, if by a Law you would raise your Silver Money and make 4 Crowns or 20 s. in Silver, equal to a Guinea, at which rate I suppose it was first Coin'd; so that by your Law a Guinea should pass but for 20 s. the same Inconveniency would follow. For then Strangers would bring in Silver, and carry away your Gold, which was to be had here at a lower Rate than any where else.

If you say, that this Inconvenience is not to be fear'd; for that as soon as People found that Gold began to grow scarce, or that it was more worth than the Law set upon it, they would not then part with it at the Statute-rate; as we see, the broad Pieces that were Coined in King James I. Time for 20 s. no Body will now part with under 23 s. or more, according to the Market Value. This I grant is true; and it does plainly confess the foolishness of making a Law, which cannot produce the Effect it is made for: As indeed it will not, when you would raise the Price of Silver in respect of Gold, above its natural Market Value: For then, as we see in our Gold, the Price of it will raise it. But on the other side, if you should by a Law, set the

B b 2

Value

364 Considerations on our

Value of *Gold* above its *Par*, then People would be bound to receive it at that high Rate, and so part with their *Silver* at an under Value. But supposing that having a mind to raise your *Silver* with respect to *Gold*, you make a Law to do it; what comes of that? If your Law prevail, only this; that as much as you raise *Silver*, you debase *Gold* (for they are in the Condition of two Things put in opposite Scales, as much as the one rises the other falls) and then your *Gold* will be carried away, with so much clear Loss to the Kingdom, as you raise *Silver* and debase *Gold* by your Law, below their natural Value. If you raise *Gold* in proportion to *Silver*, the same Effect follows.

I say, Raise *Silver* in respect of *Gold*, and *Gold* in proportion to *Silver*. For when you would raise the Value of Money, fancy what you will, 'tis but in respect of something you would change it for, and is done only when you can make a less Quantity of the Metal, which your Money is made of, change for a greater Quantity of that Thing which you would raise it to.

The Effect indeed and ill Consequence of raising either of these two Metals, in respect of the other, is more easily observed and sooner found in raising *Gold* than *Silver* Coin; because your Accounts being kept, and your Reckonings all made in Pounds, Shillings, and Pence, which are Denominations of *Silver* Coins, or Numbers of them; if *Gold* be made current at a Rate above the free and Market Value of those two Metals, every one will easily perceive the Inconvenience. But there being a Law for it, you cannot refuse

the

MONEY, BULLION, &c. 365

the *Gold* in Payment for so much. And all the Money or Bullion People will carry beyond Sea from you, will be in *Silver*, and the Money or Bullion brought in, will be in *Gold*. And the same just will happen when your *Silver* is raised and *Gold* debased, in respect of one another, beyond their true and natural proportion: (*Natural Proportion or Value*, I call that respective Rate they find any where, without the Prescription of Law.) For then *Silver* will be that which is brought in, and *Gold* will be carried out; and that still with Loss to the Kingdom, answerable to the Over-value set by the Law. Only as soon as the Mischief is felt, People will (do what you can) raise their *Gold* to its natural Value. For your Accounts and Bargains being made in the Denomination of *Silver* Money; if when *Gold* is raised above its Proportion, by the Law, you cannot refuse it in Payment (as if the Law should make a *Guinea* current at 22 s. 6 d.) you are bound to take it at that Rate in Payment. But if the Law should make *Guineas* current at 20 s. he that has them is not bound to Pay them away at that Rate, but may keep them if he pleases, or get more for them if he can: Yet from such a Law, one of these three Things will follow. Either, 1st, the Law forces them to go at 20 s. and then being found passing at that Rate, Foreigners make their Advantage of it. Or, 2^{dly}, People keep them up, and will not part with them at the legal Rate, understanding them really to be worth more, and then all your *Gold* lies dead, and is of no more use to Trade, than if it were all gone out of the Kingdom. Or, 3^{dly}, It passes for more

B b 3

than

' than the Law allows, and then your Law
' signifies nothing, and had been better let a-
' lone. Which way ever it succeeds, it proves
' either prejudicial or ineffectual. If the De-
' sign of your Law take place, the Kingdom
' loses by it: if the Inconvenience be felt
' and avoided, your Law is eluded.' Thus far
Mr. Lock.

But now to make use of all these several Reasonings to the Purpose of remedying the *apparent* Scarcity of our Silver Coin; I must here refer to my first Reason for it, and from thence argue, that Gold being more Plenty in *Europe*, the Value of it is less'n'd in proportion to Silver, and the Trade of exchanging Silver for Gold (as has been above largely explained) is now carried on among us, whereby our Silver goes out for Gold, which at 21 s. 6 d. the Guinea, is more in Value in proportion to Silver, than it ought to be; and this indeed (added to the Scarcity of Silver in *Europe*, and the Hoarding of it on this Account, as aforesaid,) I take to be the most efficient Cause of the Currency of Gold among us; and therefore in order to prevent the visible Loss by this Trade, and to restore the Currency of our Silver, I propose the Lowering the Value of our Guinea, so far and in such manner as on the best and most exact Scrutiny shall appear to be the Proportion observed in Neighbouring Countries between Gold and Silver, without giving them the contrary Advantage, by setting our Gold lower than our Silver, which would have the contrary Effect to our equal Loss.

For the doing of this, it may be necessary to enquire into the Proportions of Gold and Silver generally

generally, according to their intrinick Value the one to the other, and afterwards the Proportion they severally bear one to the other in our Neighbour Nations; by both which we ought to fix ours.

When this shall be done, the Trade of Gold for Silver will cease; our Balance in TRADE now paid wholly in Gold by Foreigners, by reason of its high Value, will then be paid promiscuously in Gold and Silver; and Gold among our selves, passing for no more than it's intrinick Value, will not be obtruded in all Payments as at present, but Silver equally; and the Hoarders of Silver, in expectation of its being *Raised* by this Means, disappointed of those Expectations, will suffer the Silver to circulate as formerly, rather than lie dead in their Coffers: And thus naturally and freely will our Silver Coin be multiplied, without the Diminution of the Quantity of our Gold, and its Currency assured to the Publick without any of those ill-Consequences I have before shewn, must attend the Alteration from the *Raising* of our Silver Coin.

Having thus gone through what I intended on this Head, I shall here enquire into the Conveniency or Fitness of the *Law* for preventing the Exportation of our *Coined Species*, (having before given my Reasons why the Exportation of our BULLION ought by no Means to be restrained) and introduce it by adding to my former, another Reason of the little Silver appearing among us; which is this, That as there is a Trade of exchanging Silver for Gold, when Gold goes with us, as it now does, above its *Par* in Silver; so there is another Trade carried on, no less destructive

than the former, which is the exchanging Silver for Silver, which tho' it be the same Species of Money, yet lessens that Appearance of it with us; for a Merchant or Goldsmith, a Refiner, or who you please, find a Liberty given here of exporting *foreign* Silver, whether *coined* or in *Bullion*, and that those Merchants whose Occasions require Sums of Money to be exported, whether to the *East-Indies*, to *Turkey*, the *East Country* for Naval Stores, or elsewhere, will not themselves run the Venture of exporting our Money; but will, to keep themselves safe, rather give these Men 3 d. 4 d. 5 d. nay, 6 d. per Ounce more for *foreign* Silver, than for our own *coined* Silver of the same Fineness, which they dare not export for fear of the *Præmunire*; resolves to get that Difference, which he thinks a sufficient Reward for his Risque, and therefore either melts down our Money, to export it the easier, or exports it as it is; for where great Profit, (as from 3 d. to 6 d. upon a Crown, which is from 4 to 10 per Cent. on such a Commodity as Money) is to be had, all the Laws in *Christendom* to restrain its Exportation, are a perfect Jest, (as *Spain*, *Portugal*, *France*, and our own Experience are witnesses) and then in return brings in *Pieces of Eight* or other *foreign* Silver, which he sells here for our Money, and so *toties quoties*, as much and as often as the Market will take off at those advanced Prices: Nor is any of this *foreign* Silver ever sent to the MINT to be coined, as the Officers of the *Mint* can testify; for unless it be but a *little* Silver, that is got out of the *Welsh* and Neighbouring Mines, there would be absolutely no Coinage of Silver at all; a thing the *Parliament* I hope will consider! I say, nothing

thing of this *foreign* Silver is ever *coined* here, notwithstanding the Coinage would cost the Proprietors nothing; and the Reason is plain, because it would then be lock'd up, and not liable to be legally exported again, and therefore would not answer the End of those that bring it in; which is, to sell it to such as want to export Silver legally, and will run no Risque: And tho' this does not amount to very great Sums in a Year, because the Demand for Exportation is not very great; yet in a Succession of many Years, tho' it be but a little Yearly, it must entirely drain us of our *Silver Coin*; for as it is something Yearly, and that so long as there is that difference in Price between our *coined* Silver and *foreign* Silver, which will for ever continue, so long as the *foreign* is permitted, and our own is not permitted, to be Exported, this Exchanging Silver for Silver, let it be as little as it will, will continue to be practised, and in time render *Silver* entirely invisible among us; nor can this be prevented by lowering the true Value, or raising the Denomination of our *Silver Money*, because he that has an Ounce of *foreign* Silver, which he will not now part with under 5 s. 6 d. of our Money, as it is at present, will be sure not to part with it under 6 s. of the new raised Money, if 6 d. be the Alteration in every Crown, or whatever else be the Value altered in each Crown; the Owners of such *foreign* Silver will be sure to raise it just so much more above our *Standard*, as we *debase* by our Alteration, and therefore such Alteration would only cause Confusion, and be of no Service.

What then must be done to prevent this, and render *Silver* Current? The Answer is very short, but infallibly certain; let there be a
Free

370 Considerations on our

Freedom to Export *our own coined Silver*. This will immediately reduce *coined and uncoined Silver* of the same Weight and Fineness, to an exact Equality in Price; 'twill then be indifferent to the honest Merchant, what Silver he exports; and if the *Foreigner*, when he has brought in his *foreign Money*, will not part with it for an equal Weight and Goodness in our *Coin*, he may keep it, and send it to the MINT to be *coined*; for he would loose all his Charges of bringing and carrying to send it back again. 1st, We should by this Means have all *boarded Silver* appear again, finding it was not to be *raised* as those *Hoarders* expected. 2^{dly}, The *foreign Silver* brought in, would either be exported, if there was occasion, at so much less Cost to the Nation, than it is at present, by 6, or 8, or 10 *per Cent.* or it would be *coined* into our own *Coin*, and thereby make a Currency of Silver again amongst us: And, 3^{dly}, We should also hereby immediately bring the *Exchanges* for all Places to be as much in our Favour by our *overbalancing* them in TRADE, as they are now against us, by the Apprehensions of our *Reducing* the Value of our *Standard*.

But before I take leave, I would consider what Mr. Locke says in one of the Quotations I have made from him, whereby some Persons may perhaps be induced to think it a detriment to us, that our *Coinage* is without Charge to the Proprietor, that sends in his *Bullion* there to be *coined*: His Words are these;

“ It is past doubt, that our Money is melted down, the Reason whereof is evidently
“ the Cheapness of *Coinage*, for a Tax on Wine
“ pay-

MONEY, BULLION, &c. 371

“ paying the *Coinage*, the particular Owners
“ pay nothing for it; so that 100 Ounces of
“ *Silver coined*, comes to the Owner at the same
“ Rate as 100 Ounces of *Standard Silver* in *Bul-*
“ *lion*; for delivering into the *Mint* his Silver
“ in Bars, he has the same Quantity of Silver
“ (here he should have added, provided his Bars
“ were of equal fineness) “ delivered out to him
“ again in *Coin*, without any Charge to him;
“ whereby if at any Time he has Occasi-
“ on for *Bullion*, 'tis the same thing to melt
“ down our mill'd Money, as to buy *Bullion*
“ from Abroad, or take it in Exchange for o-
“ ther Commodities. Thus our MINT to the
“ only Advantage of our Officers, but at the
“ Publick Cost, *labours in vain*, as will be found”.

To which Observation of Mr. Locke, I answer; That there is no Danger of our MINT's *labouring in vain*, or indeed at all, so long as there is any Difference; that is, so long as there is a freedom to export *foreign Coin* or *Bullion*, and a *Prohibition* to Export it after it has been *coined* here: For no one in his Senses can suppose any Person so void of Reason, as to send his Money to the *Mint*, in order to lose so considerably thereby.

But I think Mr. Locke has said enough in his very next Passage, to take off the Force of his own Observation, —proceeding thus —“ But
“ yet this makes you not have one Jot less
“ Money in *England*, than you would have o-
“ therwise, but only makes you *Coin* that, which
“ would otherwise *not* have been *coined*, nor
“ perhaps been brought hither; and being not
“ brought hither by an *Over-balance* of your
“ Exportation (he means of our Growth, Pro-
“ ducts,

372 Considerations on our
 “ ducts, or Manufactures exported) cannot stay
 “ when it is here.”

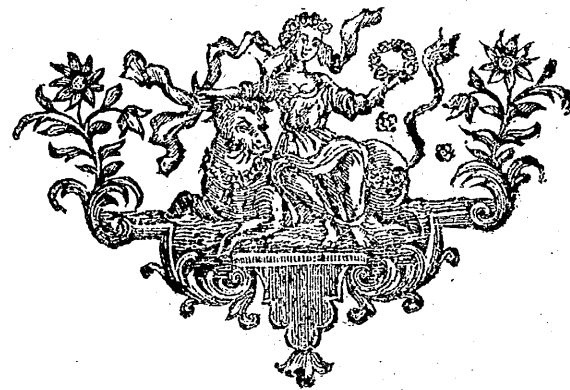
If then there is a Danger in Mr. *Locke's* Opinion, that it would not have been brought here, or when here not *coined*, unless the *Coinage* could be had free of Cost to the Owner, I think the preventing that Danger is a sufficient Reason, why the Nation should be at that Charge; and I will add farther, not a Danger only, but a Certainty, that no Owner of *Bullion* will send his Silver to be *coined*, if it must cost him any thing; for what should tempt him to send it to be *coined*, if he must pay for it? Even upon the supposal of a Freedom of Exporting it, after it is *coined*? for that he had before, the MINT has added nothing to the intrinsic Worth of it. There is, I think, but one possible Reason that can induce any Man to send his Silver to be *coined*, if he must pay any thing, tho' never so small for it; and that is a supposal, that our Law were just the Reverse of what it is; I mean, that there were a Liberty of Exporting our own *coined* Silver, and a Prohibition or *Premunire*, to export foreign Silver; in this Case, and this only, a Man would certainly pay something, nay, as we daily see by the Reverse, something considerable, that he might be at Liberty to make use of his Estate in the manner he himself finds most to his Advantage.

All which I submit to the Consideration of the PUBLICK; and will add nothing farther but only, that seeing our Laws to hinder the Exportation of our Coin, and the same Prohibitions

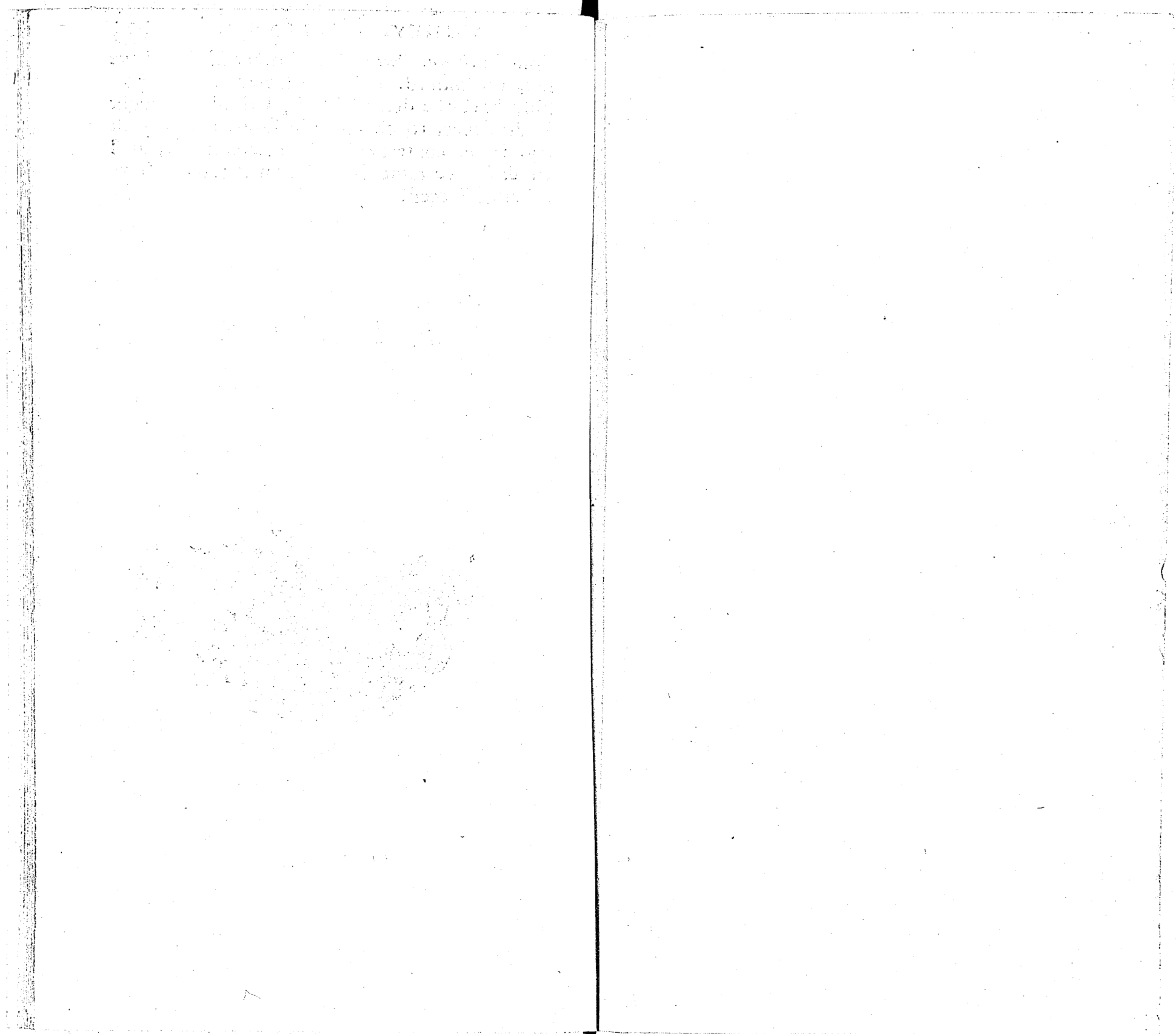
MONEY, BULLION, &c. 373

tions in *Spain, Portugal*, and other Places, have not, nor indeed, as I have shewn, cannot possibly have the desired Effect, I think we ought in Prudence, to change Measures, and at least try, if the contrary Method would not, as I think I have undeniably shewn it would, have a better Success.

F I N I S.



0431



0432

