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ENGLAND'S
TREASURE
BY
FOREIGN TRADE.

OR, THE
BALANCE OF OUR FOREIGN TRADE
IS THE
RULE OF OUR TREASURE.

WRITTEN BY
THOMAS MUN of London, Merchant.
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TO THE RIGHT HONOURABLE,

T H O M A S

EARL OF

SOUTH-HAMPTON,

Lord High Treasurer of England, Lord
Warden of the New Forest, Knight
of the most Noble Order of the Gar-
ter, and one of His Majesty's most
Honourable Privy Council.

My LORD,

I Present this ensuing treatise to your
lordship as its proper patron, to whom,
by virtue of your great trust (the great-
est, doubtless, in this kingdom) the ma-
nagement of his majesty's treasure, and
improvement of his revenue, are most
peculiarly committed.

The title of it (ENGLAND'S TREA-
SURE BY FOREIGN TRADE) alone be-
speaks your notice, the argument (being
of so public a nature) may invite your pe-
rusal; but the tract itself will, I hope, de-

DEDICATION.

serve your lordship's protection. It was left me in the nature of a legacy by my father, for whose sake I cannot but value it as one of my best moveables, and as such I dedicate it to your lordship.

He was in his time famous amongst merchants, and well known to most men of business, for his general experience in affairs, and notable insight into trade; neither was he less observed for his integrity to his prince, and zeal to the common-wealth: the serious discourses of such men are commonly not unprofitable.

To your lordship's judgment I submit this treatise, and my presumption herein to your pardon.

My LORD,

Your most faithful and

obedient servant,

JOHN MUN.

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ENGLAND'S TREASURE

BY

FOREIGN TRADE.

OR,

THE BALLANCE OF OUR FOREIGN TRADE IS
THE RULE OF OUR TREASURE.

MY Son, in a former discourse I have endeavoured after my manner briefly to teach thee two things: the first is piety, how to fear God aright, according to his works and word: the second is policy, how to love and serve thy country, by instructing thee in the duties and proceedings of fundry vocations, which either order, or else act the affairs of the commonwealth: in which as some things do especially tend to preserve, and others are more apt to enlarge the same: so am I now to speak of money, which doth indifferently serve to both those happy ends. Wherein I will observe this order, first, to shew the general means whereby a kingdom may be enriched; and then proceed to those particular courses by which princes are accustomed to be supplied with treasure. But first of all I will say something of the merchant, because he must be a principal agent in this great business.

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CHAP. I.

The Qualities which are required in a perfect merchant of foreign trade.

THe love and service of our country consisteth not so much in the knowledge of those duties which are to be performed by others, as in the skilful practice of that which is done by ourselves; and therefore (my son) it is now fit that I say something of the merchant, which I hope in due time shall be thy

As it is very commendable to know what is to be done by others in their places: so it were a great shame to be ignorant in the duties of our own vocations.

vocation: yet herein are my thoughts free from all ambition, although I rank thee in a place of so high estimation; for the merchant is worthily called *the steward of the king-*

dom's stock, by way of commerce with other nations; a work of no less reputation than trust, which ought to be performed with great skill and conscience, that so the private gain may ever accompany the public good. And because the nobleness of this profession may the better stir up thy desires and endeavours to obtain those abilities which may effect it worthily, I will briefly set down the excellent qualities which are required in a perfect merchant.

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1. He ought to be a good penman, a good arithmetician, and a good accomptant, by that noble order of debtor and creditor, which is used only amongst merchants; also to be expert in the order and form of charter-parties, bills of lading, invoyces, contracts, bills of exchange, and policies of ensurance.

2. He ought to know the measures, weights, and monies of all foreign countries, especially where we have trade, and the monies not only by their several denominations, but also by their intrinsic values in weight and fineness, compared with the standard of this kingdom, without which he cannot well direct his affairs.

3. He ought to know the customs, tolls, taxes, impositions, conducts and other charges upon all manner of merchandize exported or imported to and from the said foreign countries.

4. He ought to know in what several commodities each country abounds, and what be the wares which they want, and how and from whence they are furnished with the same.

5. He ought to understand, and to be a diligent observer of the rates of exchanges by bills, from one state to another, whereby he may the better direct his affairs, and remit over and receive home his monies to the most advantage possible.

6. He ought to know what goods are prohibi-

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ted to be exported or imported in the said foreign countries, lest otherwise he should incur great danger and loss in the ordering of his affairs.

7. He ought to know upon what rates and conditions to freight his ships, and ensure his adventures from one country to another, and to be well acquainted with the laws, orders, and customs of the Insurance-Office both here and beyond the seas, in the many accidents which may happen upon the damage or loss of ships or goods, or both these.

8. He ought to have knowledge in the goodness and in the prices of all the several materials which are required for the building and repairing of ships, and the divers workmanships of the same, as also for the masts, tackling, cordage, ordnance, victuals, munition and provisions of many kinds; together with the ordinary wages of commanders, officers and mariners, all which concern the merchant as he is an owner of ships.

9. He ought (by the divers occasions which happen sometime in the buying and selling of one commodity and sometimes in another) to have indifferent if not perfect knowledge in all manner of merchandize or wares, which is to be as it were a man of all occupations and trades.

10. He ought by his voyaging on the seas to become skilful in the art of navigation.

11. He ought as he is a traveller, and some-

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times abiding in foreign countries, to attain to the speaking of divers languages, and to be a diligent observer of the ordinary revenues and expences of foreign princes, together with their strength both by sea and land, their laws, customs, policies, manners, religions, arts, and the like; to be able to give account thereof in all occasions for the good of his country.

12. Lastly, although there be no necessity that such a merchant should be a great scholar; yet is it (at least) required, that in his youth he learn the Latin tongue, which will the better enable him in all the rest of his endeavours.

Thus have I briefly shewed thee a pattern for thy diligence, the merchant in his qualities; which in truth are such and so many, that I find no other profession which leadeth into more worldly knowledge. And it cannot be denied but that their sufficiency doth appear likewise in the excellent government of state at Venice, Luca, Genoa, Florence, the Low Countries, and divers other places of Christendom. And in those states also where they are least esteemed, yet is their skill and knowledge often used by those who sit in the highest places of authority: it is therefore an act beyond rashness in some, who do disenable their counsel and judgment (even in books printed) making them incapable of those ways and means which do either enrich or impoverish.

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a common-wealth, when in truth this is only effected by the mystery of their trade, as I shall plainly shew in that which followeth. It is true indeed that many merchants here in England finding less encouragement given to their profession than in other countries, and seeing themselves not so well esteemed as their noble vocation requireth, and according to the great consequence of the same, do not therefore labour to attain unto the excellency of their profession, neither is it practised by the nobility of this kingdom as it is in other states from the father to the son throughout their generations, to the great encrease of their wealth, and maintenance of

their names and families: whereas the memory of our richest merchants is suddenly extinguished; the son being left rich, scorneth the profession of his father, conceiving more honour to be a gentleman (although but in name) to consume his estate in dark ignorance and excess, than to follow the steps of his father as an industrious merchant to maintain and advance his fortunes. But now leaving the merchant's praise, we will come to his practice, or at least to so much thereof as concerns the bringing of treasure into the kingdom.

There is more honour and profit in an industrious life, than in a great inheritance which wasteth for want of virtue.

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CHAP. II.

The means to enrich this kingdom, and to encrease our treasure.

ALTHOUGH a kingdom may be enriched by gifts received, or by purchase taken from some other nations, yet these are things uncertain and of small consideration when they happen. The ordinary means therefore to encrease our wealth and treasure is by foreign trade, wherein we must ever observe this rule; to sell more to strangers yearly than we consume of theirs in value.

Foreign trade is the rule of our treasure.

For suppose that when this kingdom is plentifully served with the cloath, lead, tin, iron, fish and other native commodities, we do yearly export the overplus to foreign countries to the value of twenty two hundred thousand pounds; by which means we are enabled beyond the seas to buy and bring in foreign wares for our use and consumptions, to the value of twenty hundred thousand pounds; by this order duly kept in our trading, we may rest assured that the kingdom shall be enriched yearly two hundred thousand pounds, which must be brought to us in so much treasure; because that part of our stock

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which is not returned to us in wares must necessarily be brought home in treasure. /

For in this case it cometh to pass in the stock / of a kingdom, as in the estate of a private man; who is supposed to have one thousand pounds yearly revenue and two thousand pounds of ready money in his chest: if such a man through excess shall spend one thousand five hundred pounds per annum, all his ready money will be gone in four years; and in the like time his said money will be doubled if he take a frugal course to spend but five hundred pounds per annum; which rule never faileth likewise in the common wealth, but in some cases (of no great moment) which I will hereafter declare, when I shall shew by whom and in what manner this ballance of the kingdom's account ought to be drawn up yearly, or so often as it shall please the state to discover how much we gain or lose by trade with foreign nations. But first I will say something concerning those ways and means which will encrease our exportations and diminish our importations of wares; which being done, I will then set down some other arguments both affirmative and negative to strengthen that which is here declared, and thereby to shew that all the other means which are commonly supposed to enrich the kingdom with treasure are altogether insufficient and meer fallacies.

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CHAP. III.

The particular ways and means to encrease the exportation of our commodities, and to decrease our consumption of foreign wares.

THE revenue or stock of a kingdom by which it is provided of foreign wares is either natural or artificial. The natural wealth is so much only as can be spared from our own use and necessities to be exported unto strangers. The artificial consists in our manufactures and industrious trading with foreign commodities, concerning which I will set down such particulars as may serve for the cause we have in hand.

1. First, although this realm be already exceeding rich by nature, yet might it be much encreased by laying the waste grounds (which are infinite) into such employments as should no way hinder the present revenues of other manured lands, but hereby to supply our selves and prevent the importations of hemp, flax, cordage, tobacco, and divers other things which now we fetch from strangers to our great impoverishing.

2. We may likewise diminish our importations, if we would soberly refrain from excessive consumption of foreign wares in our diet and

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rayment, with such often change of fashions as is used, so much the more to encrease the waste and charge; which vices at this present are more notorious amongst us than in former ages. Yet might they easily be amended by enforcing the observation of such good laws as are strictly practised in other countries against the said excesses; where likewise by commanding their own manufactures to be used, they prevent the coming in of others, without prohibition, or offence to strangers in their mutual commerce.

3. In our exportations we must not only regard our own superfluities, but also we must consider our neighbours necessities, that so upon the wares which they cannot want, nor yet be furnished thereof elsewhere, we may (besides the vent of the materials) gain so much of the manufacture as we can, and also endeavour to sell them dear, so far forth as the high price cause not a less vent in the quantity. But the superfluity of our commodities which strangers use, and may also have the same from other nations, or may abate their vent by the use of some such like wares from other places, and with little inconvenience; we must in this case strive to sell as cheap as possible we can, rather than to lose the utterance of such wares. For we have found of late years by good experience, that being able to sell our cloth cheap in Turkey, we have

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greatly encreased the vent thereof, and the Venetians have lost as much in the utterance of theirs in those countries, because it is dearer. And on the other side a few years past, when by the excessive price of wools our cloath was exceeding dear, we lost at the least half our clothing for foreign parts, which since is no otherwise (well near) recovered again than by the great fall of price for wools and cloath. We find that twenty five in the hundred less in the price of these and some other wares, to the loss of private mens revenues, may raise above fifty upon the hundred in the quantity vented to the benefit of the public. For when cloath is dear, other nations do presently practise clothing, and we know they want neither art nor materials to this performance. But when by cheapness we drive them from this employment, and so in time obtain our dear price again, then do they also use their former remedy. So that by these alterations we learn, that it is in vain to expect a greater revenue of our wares than their condition will afford, but rather it concerns us to apply our endeavours to the times with care and diligence to help ourselves the best we may, by making our cloth and other manufactures without deceit, which will encrease their estimation and use.

The states in some occasions may gain most, when private men by their revenues get least.

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4. The value of our exportations likewise may be much advanced when we perform it our selves in our own ships, for then we get only not the price of our wares as they are worth here, but also the merchants gains, the charges of enfurance, and freight to carry them beyond the seas. As for example, if the Italian merchants should come hither in their own shipping to fetch our corn, our red herrings or the like, in this case the kingdom should have ordinarily but 25 s. for a quarter of wheat, and 20 s. for a barrel of red herrings, whereas if we carry these wares our selves into Italy upon the said rates, it is likely that we shall obtain fifty shillings for the first, and forty shillings for the last, which is a great difference in the utterance or vent of the kingdom's stock. And although it is true that the commerce ought to be free to strangers to bring in and carry out at their pleasure, yet nevertheless in many places the exportation of victuals and munition are either prohibited, or at least limited to be done only by the people and shipping of those places where they abound.

5. The frugal expending likewise of our own natural wealth might advance much yearly to be exported unto strangers; and if in our rayment we will be prodigal, yet let this be done with our own materials and manufactures, as cloth, lace, imbroderies, cutworks and the like, where

BY FOREIGN TRADE. 13

the excess of the rich may be the employment of the poor, whose labours notwithstanding of this kind, would be more profitable for the common wealth, if they were done to the use of strangers.

6. The fishing in his majesty's seas of England, Scotland and Ireland is our natural wealth, and would cost nothing but labour, which the Dutch bestow willingly, and thereby draw yearly a very great profit to themselves by serving many places of Christendom with our fish, for which they return and supply their wants both of foreign wares and money, besides the multitude of mariners and shipping, which hereby are maintain'd, whereof a long discourse might be made to shew the particular manage of this important business. Our fishing plantation likewise in New-England, Virginia, Groenland, the Summer Islands and the New-foundland, are of the like nature, affording much wealth and employments to maintain a great number of poor, and to encrease our decaying trade.

7. A staple or magazine for foreign corn, indico, spices, raw-silks, cotton wool or any other commodity whatsoever, to be imported will encrease shipping, trade, treasure, and the king's customs, by exporting them again where need shall require, which course of trading hath been the

How some states have been made rich.

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chief means to raise Venice, Genoa, the Low-Countries, with some others; and for such a purpose England stands most commodiously, wanting nothing to this performance but our own diligence and endeavour.

8. Also we ought to esteem and cherish those trades which we have in remote or far countries, for besides the encrease of shipping and mariners thereby, the wares also sent thither and receiv'd from thence are far more profitable unto the kingdom than by our trades near at hand; as for example; suppose pepper to be worth here two shillings the pound constantly, if then it be brought from the Dutch at Amsterdam, the merchant may give there twenty pence the pound, and gain well by the bargain; but if he fetch this pepper from the East-Indies, he must not give

The traffick to the East Indies is our most profitable trade in its proportion both for King and kingdom.

above three pence the pound at the most, which is a mighty advantage, not only in that part which serveth for our own use, but also for that great quantity which (from hence) we transport yearly unto divers o-

ther nations to be sold at a higher price: whereby it is plain, that we make a far greater stock

We get more by the Indian wares than the Indians themselves.

by gain upon these Indian commodities, than those nations do where they grow, and to whom they properly appertain, being the natural

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wealth of their countries. But for the better understanding of this particular, we must ever distinguish between the gain of the kingdom, and the profit of the merchant; for

A distinction between the kingdom's gain and the merchant's profit.

although the kingdom payeth no more for this pepper than is before supposed, nor for any other commodity bought in foreign parts

more than the stranger receiveth from us for the same, yet the merchant payeth not only that price, but also the freight, insurance, customs and other charges which are exceeding great in these long voyages; but yet all these in the kingdom's account are but commutations among our selves, and no privation of the kingdom's stock, which being duly consider'd, together with

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the support also of our other trades in our best shipping to Italy, France, Turkey, the East countries and other places, by transporting and venting the wares which we bring yearly from the East Indies; it may well stir up our utmost endeavours to maintain and enlarge this great and noble business, so much importing the public wealth, strength, and happiness. Neither is there less honour and judgment by growing rich (in this manner) upon the stock of other nations, than by an industrious encrease of our own means, especially when this latter is advanced by the benefit of the former, as we have found in

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the East Indies by sale of much of our tin, cloth, lead and other commodities, the vent whereof doth daily encrease in those countries which formerly had no use of our wares.

9. It would be very beneficial to export money as well as wares, being done in trade only, it would encrease our treasure; but of this I write more largely in the next chapter to prove it plainly.

10. It were policy and profit for the state to suffer manufactures made of foreign materials to be exported custom-free, as velvets and all other wrought silks, fustains, thrown silks and the like, it would employ very many poor people, and much encrease the value of our stock yearly issued into other countries, and it would (for this purpose) cause the more foreign materials to be brought in, to the improvement of his majesty's customs. I will here remember a notable increase in our manufacture of winding and twisting only of foreign raw silk, which within 35. years to my knowledge did not employ more than 300. people in the city and suburbs of London, where at this present time it doth set on work above fourteen thousand souls, as upon diligent enquiry hath been credibly reported unto his majesty's commissioners for trade. And it is certain, that if the said foreign commodities might be exported from hence, free

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of custom, this manufacture would yet encrease very much, and decrease as fast in Italy and in the Netherlands. But if any man alledge the Dutch proverb, Live and let others live; I answer, that the Dutchmen notwithstanding their own proverb, do not only in these kingdoms, encroach upon our livings, but also in other foreign parts of our trade (where they have power) they do hinder and destroy us in our lawful course of living, hereby taking the bread out of our mouth, which we shall never prevent by plucking the pot from their nose, as of late years too many of us do practise to the great hurt and dishonour of this famous nation; we ought rather to imitate former times in taking sober and worthy courses more pleasing to God and suitable to our ancient reputation.

11. It is needful also not to charge the native commodities with too great customs, lest by in-dearing them to the strangers use, it hinder their vent. And especially foreign wares brought in to be transported again should be favoured, for otherwise that manner of trading (so much importing the good of the common-wealth) cannot prosper nor subsist. But the consumption of such foreign wares in the realm may be the more charged, which will turn to the profit of the kingdom in the ballance of the trade, and thereby also enable the king to lay up the more

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treasure out of his yearly incomes, as of this particular I intend to write more fully in its proper place, where I shall shew how much money a prince may conveniently lay up without the hurt of his subjects.

12. Lastly, in all things we must endeavour to make the most we can of our own, whether it be natural or artificial, and forasmuch as the people which live by the arts are far more in number than they who are masters of the fruits, we ought the more carefully to maintain those endeavours of the multitude, in whom doth consist the greatest strength and riches both of king and kingdom: for where the people are many, and the arts good, there the traffic must be great, and the country rich. The Italians employ a greater number of people, and get more money by their industry and manufactures of the raw silks of the kingdom of Sicilia, than the king of Spain and his subjects have by the revenue of this rich commodity. But what need we fetch the example so far, when we know that our own natural wares do not yield us so much profit as our industry? For iron oaf in the mines is of no great worth, when it is compared with the employment and advantage it yields being digged, tried, transported, bought, sold, cast into ordnance, muskets, and many other instruments of war for offence and defence, wrought into

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anchors, bolts, spikes, nayles and the like, for the use of ships, houses, carts, coaches, ploughs, and other instruments for tillage. Compare our fleece-wools with our cloth, which requires shearing, washing, carding, spinning, weaving, fulling, dying, dressing and other trimmings, and we shall find these arts more profitable than the natural wealth, whereof I might instance other examples, but I will not be more tedious, for if I would amplify upon this and the other particulars before written, I might find matter sufficient to make a large volume, but my desire in all is only to prove what I propound with brevity and plainness. /

C H A P. IV.

The exportation of our moneys in trade of merchandize is a means to encrease our treasure.

THIS position is so contrary to the common opinion, that it will require many and strong arguments to prove it before it can be accepted of the multitude, who bitterly exclaim when they see any monies carried out of the realm; affirming thereupon that we have absolutely lost so much treasure, and that this is an act directly against the long continued laws made and confirmed by the wisdom of this kingdom

in the high court of parliament, and that many places, nay Spain itself which is the fountain of money, forbids the exportation thereof, some cases only excepted. To all which I might answer, that Venice, Florence, Genoa, the Low Countries and divers other places permit it, their people applaud it, and find great benefit by it; but all this makes a noise and proves nothing, we must therefore come to those reasons which concern the business in question.

First, I will take that for granted which no man of judgment will deny, that we have no other means to get treasure but by foreign trade, for mines we have none which do afford it, and how this money is gotten in the managing of our said trade I have already shewed, that it is done by making our commodities which are exported yearly to over-balance in value the foreign wares which we consume; so that it resteth only to shew how our monies may be added to our commodities, and being jointly exported may so much the more encrease our treasure.

We have already supposed our yearly consumptions of foreign wares to be for the value of twenty hundred thousand pounds, and our exportations to exceed that two hundred thousand pounds, which sum we have thereupon affirmed is brought to us in treasure to ballance the accompt. But now if we add three hundred

thousand pounds more in ready money unto our former exportations in wares, what profit can we have (will some men say) although by this means we should bring in so much ready money more than we did before, seeing that we have carried out the like value.

To this the answer is, that when we have prepared our exportations of wares, and sent out as much of every thing as we can spare or vent abroad: It is not therefore said that then we should add our money thereunto to fetch in the more money immediately, but rather first to enlarge our trade by enabling us to bring in more foreign wares, which being sent out again will in due time much encrease our treasure.

Money begets trade and trade encreaseth money.

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For although in this manner we do yearly multiply our importations to the maintenance of more shipping and mariners, improvement of his majesty's customs and other benefits: yet our consumption of those foreign wares is no more than it was before; so that all the said encrease of commodities brought in by the means of our ready money sent out as is afore written, doth in the end become an exportation unto us of a far greater value than our said moneys were, which is proved by three several examples following.

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1. For I suppose that 100000. l. being sent in our shipping to the East Countries, will buy there one hundred thousand quarters of wheat clear aboard the ships, which being after brought into England and housed, to export the same at the best time for vent thereof in Spain or Italy, it cannot yield less in those parts than two hundred thousand pounds to make the merchant but a saver, yet by this reckoning we see the kingdom hath doubled that treasure.

2. Again this profit will be far greater when we trade thus in remote countries, as for example, if we send one hundred thousand pounds into the East-Indies to buy pepper there, and bring it hither, and from hence send it for Italy or Turkey, it must yield seven hundred thousand pounds at least in those places, in regard of the excessive charge which the merchant disburseth in those long voyages in shipping, wages, victuals, insurance, interest, customs, imposts, and the like, all which notwithstanding the king and the kingdom gets.

3. But where the voyages are short and the wares rich, which therefore will not employ much shipping, the profit will be far less. As when another hundred thousand pounds shall be employed in Turkey in raw silks, and brought hither to be after transported from hence into

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Remote trades are most gainful to the commonwealth.

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France, the Low Countries, or Germany, the merchant shall have good gain, although he sell it there but for one hundred and fifty thousand pounds: and thus take the voyages altogether in their medium, the monies exported will be returned unto us more than trebled. But if any man will yet object, that these returns come to us in wares, and not really in money as they were issued out.

The answer is (keeping our first ground) that if our consumption of foreign wares be no more yearly than is already supposed, and that our exportations be so mightily increased by this manner of trading with ready money as is before declared: it is not then possible but that all the overbalance or difference should return either in money or in such wares as we must export gain, which, as is already plainly shewed, will be still a greater means to encrease our treasure.

For it is in the stock of the kingdom as in the estates of private men, who having store of wares, do not therefore say that they will not venture out or trade with their money (for this were ridiculous) but do also turn that into wares whereby they multiply their money, and so by a continual and orderly change of one into the other grow rich, and when they please turn all

The proverb saith, he that hath ware hath money by the year.

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their estates into treasure; for they that have wares cannot want money.

Neither is it said that money is the life of trade, as if it could not subsist without the same; for we know that there was great trading by way of commutation or barter when there was little money stirring in the world. The Italians and some other nations have such remedies against this want, that it can neither decay nor hinder their trade, for they transfer bills of debt, and have banks both public and private, wherein they do assign their credits from one to another daily for very great sums with ease and satisfaction by writings only, whilst in the mean time the mass of treasure which gave foundation to these credits is employed in foreign trade as a merchandize, and by the said means they have little other use of money in those countries more than for their ordinary expences. It is not therefore the keeping of our money in the kingdom, but the necessity and use of our wares in foreign countries, and our want of their commodities that causeth the vent and consumption on all sides, which makes a quick and ample trade. If we were once poor, and now having gained some store of money by trade with resolution to keep it still in the realm; shall this cause other nations to spend more of our commodities than formerly they have done, whereby we might say

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that our trade is quickened and enlarged? No verily, it will produce no such good effect: but rather according to the alteration of times by their true causes we may expect the contrary; for all men do consent that plenty of money in a kingdom doth make the native commodities dearer, which as it is to the profit of some private men in their revenues, so is it directly against the benefit of the public in the quantity of the trade; for as plenty of money makes wares dearer, so dear wares decline their use and consumption, as hath been already plainly shewed in the last chapter upon that particular of our cloth; and although this is a very hard lesson for some great landed men to learn, yet I am sure it is a true lesson for all the land to observe, lest when we have gained some store of money by trade, we lose it again by not trading with our money. I knew a prince in Italy (of famous memory) Ferdinando the first, great duke of Tuscany, who being very rich in treasure, endeavoured therewith to enlarge his trade by issuing out to his merchants great sums of money for very small profit; I myself had forty thousand crowns of him gratis for a whole year, although he knew that I would presently send it away in specie for the parts of Turkey to be employed in wares for his countries, he being well assured that in this course of trade it would return again

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(according to the old saying) with a duck in the mouth. This noble and industrious prince by his care and diligence to countenance and favour merchants in their affairs, did so encrease the practice thereof, that there is scarce a nobleman or gentleman in all his dominions that doth not merchandize either by himself or in partnership with others, whereby within these thirty years the trade to his port of Leghorn is so much encreased, that of a poor little town (as I myself knew it) it is now become a fair and strong city, being one of the most famous places for trade in all Christendom. And yet it is worthy our observation, that the multitude of ships and wares which come thither from England, the Low Countries, and other places, have little or no means to make their returns from thence but only in ready money, which they may and do carry away freely at all times, to the incredible advantage of the said great Duke of Tuscany and his subjects, who are much enriched by the continual great concourse of merchants from all the states of the neighbour princes, bringing them plenty of money daily to supply their wants of the said wares. And thus we see that the current of merchandize which carries away their treasure, becomes a flowing stream to fill them again in a greater measure with money.

There is yet an objection or two as weak as

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all the rest: that is, if we trade with our money we shall issue out the less wares; as if a man should say, those countries which heretofore had occasion to consume our cloth, lead, tin, iron, fish, and the like, shall now make use of our monies in the place of those necessaries, which were most absurd to affirm, or that the merchant had not rather carry out wares by which there is ever some gain expected, than to export money which is still but the same without any encrease.

But on the contrary there are many countries which may yield us very profitable trade for our money, which otherwise afford us no trade at all, because they have no use of our wares, as namely the East-Indies for one in the first beginning thereof, although since by industry in our commerce with those nations we have brought them into the use of much of our lead, cloth, tin, and other things, which is a good addition to the former vent of our commodities.

Again, some men have alledged that those countries which permit money to be carried out, do it because they have few or no wares to trade withall: but we have great store of commodities, and therefore their action ought not to be our example.

To this the answer is briefly, that if we have such a quantity of wares as doth fully provide us of all things needful from beyond the seas:

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why should we then doubt that our monies sent out in trade, must not necessarily come back again in treasure; together with the great gains which it may procure in such manner as is before set down? And on the other side, if those nations which send out their monies do it because they have but few wares of their own, how come they then to have so much treasure as we ever see in those places which suffer it freely to be exported at all times and by whomsoever? I answer, even by trading with their monies; for by what other means can they get it, having no mines of gold or silver?

Thus may we plainly see, that when this weighty business is duly considered in his end, as all our human actions ought well to be weighed, it is found much contrary to that which most men esteem thereof, because they search no further than the beginning of the work, which mis-

Our human actions ought especially to be considered in their ends. informs their judgments, and leads them into error: for if we only behold the actions of the husbandman in the seed-time when he casteth away much good corn into the ground,

we will rather account him a mad man than a husbandman: but when we consider his labours in the harvest which is the end of his endeavours, we find the worth and plentiful encrease of his actions.

CHAP. V.

Foreign trade is the only means to improve the price of our lands.

IT is a common saying, that plenty or scarcity of money makes all things dear or good or cheap; and this money is either gotten or lost in foreign trade by the over or under-ballancing of the same, as I have already shewed. It resteth now that I distinguish the seeming plenties of money from that which is only substantial and able to perform the work: for there are divers ways and means whereby to procure plenty of money into a kingdom, which do not enrich but rather impoverish the same by the several inconveniencies which ever accompany such alterations.

As first, if we melt down our plate into coin (which suits not with the majesty of so great a kingdom, except in cases of great extremity) it would cause plenty of money for a time, yet should we be nothing richer, but rather this treasure being thus altered is made the more apt to be carried out of the kingdom, if we exceed our means by excess in foreign wares, or maintain a war by sea or land, where we do not feed and

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cloath the soldier and supply the armies with our own native provisions, by which disorders our treasure will soon be exhausted.

Again, if we think to bring in store of money by suffering foreign coins to pass current at higher rates than their intrinsic value compared with our standard, or by debasing or by enhancing our own monies, all these have their several inconveniencies and difficulties, (which hereafter I will declare) but admitting that by this means plenty of money might be brought into the realm, yet should we be nothing the richer, neither can such treasure so gotten long remain with us. For if the stranger or the English merchants bring in this money, it must be done upon a valuable consideration, either for wares carried out already, or after to be exported, which helps us nothing except the evil occasions of excess or war aforementioned be removed which do exhaust our treasure: for otherwise, what one man bringeth for gain, another man shall be forced to carry out for necessity; because there shall ever be a necessity to ballance our accounts with strangers, although it should be done with loss upon the rate of the money, and confiscation also if it be intercepted by the law.

The conclusion of this business is briefly thus. That as the treasure which is brought into the realm by the ballance of our foreign trade is that

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money which only doth abide with us, and by which we are enriched: so by this plenty of money thus gotten (and no otherwise) do our lands improve. For when the merchant hath a good dispatch beyond the seas for his cloth and other wares, he doth presently return to buy up the greater quantity, which raiseth the price of our wools and other commodities, and consequently doth improve the landlords rents as the leases expire daily: and also by this means money being gained, and brought more abundantly into the kingdom, it doth enable many men to buy lands, which will make them the dearer. But if our foreign trade come to a stop or declination by neglect at home or injuries abroad, whereby the merchants are empoverished, and thereby the wares of the realm less issued, then do all the said benefits cease, and our lands fall of price daily.

How we must get treasure to make it our own.

CHAP. VI.

The Spanish treasure cannot be kept from other kingdoms by any prohibition made in Spain.

ALL the mines of gold and silver which are as yet discovered in the fundry places of

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the world, are not of so great value as those of the West-Indies which are in the possession of the king of Spain: who thereby is enabled not only to keep in subjection many goodly states and provinces in Italy and elsewhere, (which otherwise would soon fall from his obedience) but also by a continual war taking his advantages doth still enlarge his dominions, ambitiously aiming at a monarchy by the power of his monies, which are the very sinews of his strength, that lies so far dispersed into so many countries, yet hereby united, and his wants supplied both for war and peace in a plentiful manner from all the parts of Christendom, which are therefore partakers of his treasure by a necessity of commerce; wherein the Spanish policy hath ever endeavoured to prevent all other nations the most it could: for finding Spain to be too poor and barren to supply it self and the West-Indies

The policy and benefit of Spain by the trade to the East-Indies.

with those varieties of foreign wares whereof they stand in need, they knew well that when their native commodities come short to this purpose, their monies must serve to make up the reckoning; whereupon they found an incredible advantage to add the traffick of the East-Indies to the treasure of the West: for the last of these being employed in the first, they stored themselves infinitely with rich wares to bar-

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ter with all the parts of Christendom for their commodities, and so furnishing their own necessities, prevented others for carrying away their monies: which in point of state they hold less dangerous to impart to the remote Indians, than to their neighbour princes, lest it should too much enable them to resist (if not offend) their enemies. And this Spanish policy against others is the more remarkable, being done likewise so much to their own advantage; for every ryal of eight which they sent to the East-Indies brought home so much wares as saved them the disbursing of five ryals of eight here in Europe (at the least) to their neighbours, especially in those times when that trade was only in their hands: but now this great profit is failed, and the mischief removed by the English, Dutch, and others which partake in those East-India trades as ample as the Spanish subjects.

It is further to be considered, that besides the disability of the Spaniards by their native commodities to provide foreign wares for their necessities, (whereby they are forced to supply the want with money) they have likewise that canker of war, which doth infinitely exhaust their treasure, and disperse it into Christendom even to their enemies, part by reprisal, but especially through a necessary maintenance of those armies which are composed of strangers, and lie

so far remote, that they cannot feed, cloath, or otherwise provide them out of their own native means and provisions, but must receive this relief from other nations: which kind of war is far different to that which a prince maketh upon his own confines, or in his navies by sea, where the soldier receiving money for his wages, must every day deliver it out again for his necessities, whereby the treasure remains still in the kingdom, although it be exhausted from the king: but we see that the Spaniard (trusting in the power of his treasure) undertakes wars in Germany, and in other remote places, which would soon beggar the richest kingdom in Christendom of all their money; the want whereof would presently disorder and bring the armies to confusion, as it falleth out sometimes with Spain itself, who have the fountain of money, when either it is stopt in the passage by the force of their enemies, or drawn out faster than it flows by their own occasions; whereby also we often see that gold and silver is so scant in Spain, that they are forced to use base copper money, to the great confusion of their trade, and not without the undoing also of many of their own people.

But now that we have seen the occasions by which the Spanish treasure is dispersed into so

many places of the world, let us likewise discover how and in what proportion each country doth enjoy these monies, for we find that Turkey and divers other nations have great plenty thereof, although they drive no trade with Spain, which seems to contradict the former reason, where we say that this treasure is obtained by a necessity of commerce. But to clear this point, we must know that all nations (who have no mines of their own) are enriched with gold and silver by one and the same means, which is already shewed to be the ballance of their foreign trade: and this is not strictly tyed to be done in those countries where the fountain of treasure is, but rather with such order and observations as are prescribed. For suppose England by trade with Spain may gain and bring home five hundred thousand ryals of 8. yearly, if we lose as much by our trade in Turkey, and therefore carry the money thither, it is not then the English but the Turks which have got this treasure, although they have no trade with Spain from whence it was first brought. Again, if England having thus lost with Turkey, do notwithstanding gain twice as much by France, Italy, and other members of her general trade, then will there remain five hundred thousand ryals of eight clear gains by the ballance of this trade: and this comparison holds between all other na-

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tions, both for the manner of getting, and the proportion that is yearly gotten.

But if yet a question should be made, whether all nations get treasure and Spain only lose it? I answer no; for some countries by war or by excess do lose that which they had gotten, as well as Spain by war and want of wares doth lose that which was its own.

CHAP. VII.

The diversity of gain by foreign trade.

IN the course of foreign trade there are three sorts of gain, the first is that of the commonwealth, which may be done when the merchant (who is the principal agent therein) shall lose. The second is the gain of the merchant, which he doth sometimes justly and worthily effect, although the common-wealth be a loser. The third is the gain of the king, whereof he is ever certain, even when the commonwealth and the merchant shall be both losers.

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Concerning the first of these, we have already sufficiently shewed the ways and means whereby a common-wealth may be enriched in the course of trade, whereof it is needless here to make any repetition, only I do in this place af-

firm, that such happiness may be in the commonwealth, when the merchant in his particular shall have no occasion to rejoice. As for example, suppose the East-India company send out one hundred thousand pounds into the East-Indies, and receive home for the same the full value of three hundred thousand pounds; hereby it is evident that this part of the commonwealth is trebled, and yet I may boldly say that which I can well prove, that the said company of merchants shall lose at least fifty thousand pounds by such an adventure if the returns be made in spice, indico, callicoes, benjamin, refined saltpeter, and such other bulky wares in their several proportions according to their vent and use in these parts of Europe. For the freight of shipping, the ensurance of the adventure, the charges of factors abroad and officers at home, the forbearance of the stock, his majesty's customs and imposts, with other petty charges incident, cannot be less than two hundred and fifty thousand pounds, which being added to the principal produceth the said loss. And thus we see, that not only the kingdom but also the king by his customs and imposts may get notoriously, even when the merchant notwithstanding shall lose grievously; which giveth us good occasion here to consider, how much more the realm is enriched by this noble trade, when all things pass

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so happily that the merchant is a gainer also with the king and kingdom.

In the next place I affirm, that a merchant by his laudable endeavours may both carry out and bring in wares to his advantage by selling and buying them to good profit, which is the end of his labours; when nevertheless the commonwealth shall decline and grow poor by a disorder in the people, when through pride and other excesses they do consume more foreign wares in value than the wealth of the kingdom can satisfy and pay by the exportation of our own commodities, which is the very quality of an unthrif who spends beyond his means.

Lastly, the king is ever sure to get by trade, when both the commonwealth and merchant shall lose severally as afore-written, or jointly, as it may and doth sometimes happen, when at one and the same time our commodities are overballanc'd by foreign wares consumed, and that the merchants success prove no better than is before declared.

But here we must not take the king's gain in this large sense, for so we might say that his majesty should get, although half the trade of the kingdom were lost; we will rather suppose that whereas the whole trade of the realm for exportations and importations is now found for to be about the yearly value of four millions and a

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half of pounds; it may be yet increased two hundred thousand pounds per annum more by the importation and consumption of foreign wares. By this means we know that the king shall be a gainer near twenty thousand pounds, but the commonwealth shall lose the whole two hundred thousand pounds thus spent in excess. And the merchant may be a loser also when the trade shall in this manner be increased to the profit of the king; who notwithstanding shall be sure in the end to have the greatest loss, if he prevent not such unthrifty courses as do impoverish his subjects.

CHAP. VIII.

The enhancing or debasing our monies cannot enrich the kingdom with treasure, nor hinder the exportation thereof.

THERE are three ways by which the monies of a kingdom are commonly altered. The first is when the coins in their several denominations are made current at more or less pounds, shillings or pence than formerly. The second is when the said coins are altered in their weight, and yet continue current at the former rates. The third is when the standard is either debased or enriched in the fineness of the gold

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and silver, yet the monies continue in their former values.

In all occasions of want or plenty of money in the kingdom we do ever find divers men, who using their wits for a remedy to supply the first and preserve the last, they fall presently upon altering the monies; for, say they, the raising of the coins in value will cause it to be brought into the realm from divers places in hope of the gain: and the debasing of the monies in the fineness or weight will keep it here for fear of the loss.

But these men pleasing themselves with the beginning only of this weighty business, consider not the progress and end thereof, whereunto we ought especially to direct our thoughts and endeavours.

For we must know, that money is not only the true measure of all our other means in the kingdom, but also of our foreign commerce with strangers, which therefore ought to be kept just and constant to avoid those confusions which ever accompany such alterations. For first at home, if the common measure be changed, our lands, leases, wares, both foreign and domestic must alter in proportion: and although this is not done without much trouble and damage also to some men, yet in short time this must necessarily come to pass; for that is not the deno-

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Money is the measure of our other means.

is not only the true measure of all our other means in the kingdom, but also of our foreign commerce with strangers, which therefore ought to be kept just and constant to avoid those confusions which ever accompany such alterations. For first at home, if the common measure be changed, our lands, leases, wares, both foreign and domestic must alter in proportion: and although this is not done without much trouble and damage also to some men, yet in short time this must necessarily come to pass; for that is not the deno-

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mination of our pounds, shillings and pence, which is respected, but the intrinsic value of our coins; unto which we have little reason to add any further estimation or worth, if it lay in our power to do it, for this would be a special service to Spain, and an act against our selves to in dear the commodity of another prince. Neither can these courses which so much hurt the subjects, any way help the king as some men have imagined: for although the debasing or lightning of all our money should bring a present benefit (for once only) to the Mint, yet all this and more would soon be lost again in the future great incomes of his majesty, when by this means they must be paid yearly with money of less intrinsic value than formerly; nor can it be said that the whole loss of the kingdom would be the profit of the king, they differ infinitely: for all mens estates (be it leases, lands, debts, wares or money) must suffer in their proportions, whereas his majesty should have the gain only upon so much ready money as might be new coined, which in comparison, would prove a very small matter: for although they who have other estates in money are said to be a great number and to be worth five or ten thousand l. per man, more or less, which amounts to many millions in all, yet are they not possessed there-

A notable service for Spain.

All the ready money in this kingdom is esteemed at little

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more than one million of pounds. of all together or at once, for it were vanity and against their profit to keep continually in their hands above forty or fifty pounds in a family to defray necessary charges, the rest must ever run from man to man in traffic for their benefit, whereby we may conceive that a little money (being made the measure of all our other means) doth rule and distribute great matters daily to all men in their just proportions: and we must know likewise that much of our old money is worn light, and therefore would yield little or no profit at the Mint, and the gain upon the heavy, would cause our vigilant neighbours to carry over a great part thereof, and return it presently in pieces of the new stamp; nor do we doubt that some of our own countrymen would turn coiners and venture a hanging for this profit, so that his majesty in the end should get little by such alterations.

Yea but say some men, if his majesty raise the money, great store of treasure would also be brought into the Mint from foreign parts, for we have seen by experience that the late raising of our gold ten in the hundred, did bring in great store thereof, more than we were accustomed to have in the kingdom, the which as I cannot deny, so do I likewise affirm, that this gold carried away all or the most part of our

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silver, (which was not over-worn or too light) as we may easily perceive by the present use of our monies in their respective qualities: and the reason of this change is, because our silver was not raised in proportion with our gold, which still giveth advantage to the merchant to bring in the kingdom's yearly gain by trade in gold rather than in silver.

Secondly, if we be inconstant in our coins, and thereby violate the laws of foreign commerce; other princes are vigilant in these cases to alter presently in proportion with us, and then where is our hope? Or if they do not alter, what can we hope for? For if the stranger merchant bring in his wares, and find that our monies are raised, shall not he likewise keep his commodities untill he may sell them dearer? And shall not the price of the merchant's exchange with foreign countries rise in proportion with our monies? All which being undoubtedly true, why may not our monies be carried out of the kingdom as well and to as much profit after the raising thereof, as before the alteration?

But peradventure some men will yet say, that if our monies be raised and other countries raise not, it will cause more bullion and foreign coins to be brought in than heretofore. If this be done, it must be performed either by the merchant

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who hath exported wares, or by the merchant who intends to buy off our commodities : and it is manifest that neither of these can have more advantage or benefit by this art now, than they might have had before the alteration of the money. For if their said bullion and foreign coins be more worth than formerly in our pounds, shillings and pence, yet what shall they get by that when these monies are baser or lighter, and that therefore they are risen in proportion? So we may plainly see that these innovations are no good means to bring treasure into the kingdom, nor yet to keep it here when we have it.

C H A P. IX.

A toleration for foreign coins to pass current here at higher rates than their value with our standard, will not encrease our treasure.

THE discreet merchant for the better directing of his trade and his exchanges by bills to and from the several places of the world where he is accustomed to deal, doth carefully learn

Merchants do or ought to know the weight and fineness of foreign coins.

the parity or equal value of the monies according to their weight and fineness compared with our standard, whereby he is able to know perfectly the just profit or loss of his affairs. And I make no doubt but that we

trade to divers places where we vent off our native commodities yearly, to a great value, and yet find few or no wares there fitting our use, whereby we are enforced to make our returns in ready money, which by us is either carried into some other countries to be converted into wares which we want, or else it is brought into the realm in specie; which being tolerated to pass current here in payment at higher rates than they are worth to be coined into sterling money; that seemeth very probable that the greater quantity will be brought in: but when all the circumstances are duly considered, this course likewise will be found as weak as the rest to encrease our treasure.

First, the toleration it self doth break the laws of intercourse, and would soon move other princes to perform the same acts or worse against us, and so frustrate our hopes.

Secondly, if money be the true measure of all our other means, and foreign coins tolerated to pass current amongst us, at higher rates than they are worth (being compared with our standard) it followeth that the commonwealth shall not be justly distributed, when it passeth by a false measure.

Thirdly, if the advantage between ours and foreign coins be but small, it will bring in little or no treasure, because the merchant will rather

bring in wares upon which there is usually a competent gain. And on the other side if we permit a great advantage to the foreign coins, then that gain will carry away all our sterling money, and so I leave this business in a dilemma, and fruitless, as all other courses will ever prove which seek for the gain or loss of our treasure out of the ballance of our general foreign trade, as I will endeavour yet further to demonstrate.

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CHAP. X.

The observation of the statute of employments to be made by strangers, cannot encrease, nor yet preserve our treasure.

TO keep our money in the kingdom is a work of no less skill and difficulty than to augment our treasure: for the causes of their preservation and production are the same in nature. The statute for employment of strangers wares into our commodities seemeth at the first to be a good and a lawful way leading to those ends; but upon the examination of the particulars, we shall find that it cannot produce such

good effects.

The use of foreign trade is alike to all nations.

For as the use of foreign trade is alike to all nations, so may we ea-

sily perceive what will be done therein by strangers, when we do but observe our own proceedings in this weighty business, by which we do not only seek with the vent of our own commodities to supply our wants of foreign wares, but also to enrich our selves with treasure: all which is done by a different manner of trading according to our own occasions and the nature of the places whereunto we do trade; as namely in some countries we sell our commodities and bring away their wares, or part in money; in other countries we sell our goods and take their money, because they have little or no wares that fit our turns: again in some places we have need of their commodities, but they have little use of ours; so they take our money which we get in other countries: and thus by a course of traffic (which changeth according to the accidents of time) the particular members do accommodate each other, and all accomplish the whole body of the trade, which will ever languish if the harmony of her health be distempered by the diseases of excesses at home, violence abroad, charges and restrictions at home or abroad: but in this place I have occasion to speak only of restriction, which I will perform briefly.

How foreign trade is destroyed.

There are three ways by which a merchant may make the returns of his wares from beyond

the seas, that is to say in money, in commodities, or by exchange. But the statute of employment doth not only restrain money (in which there is a seeming providence and justice) but also the use of the exchange by bills, which doth violate the law of commerce, and is indeed an act without example in any place of the world where we have trade, and therefore to be considered, that whatsoever (in this kind) we shall impose upon strangers here, will presently be made a law for us in their countries, especially where we have our greatest trade with our vigilant neighbours, who omit no care nor occasion to support their traffic in equal privileges with other nations. And thus in the first place we should be deprived of that freedom and means which now we have to bring treasure into the kingdom, and therewith likewise we should lose the vent of much wares which we carry to divers places, whereby our trade and our treasure would decay together.

Secondly, if by the said statute we thrust the exportation of our wares (more than ordinary) upon the stranger, we must then take it from the English, which were injurious to our merchants, mariners and shipping, besides the hurt to the commonwealth in venting the kingdom's stock to the stranger at far lower rates here than

we must do if we sold it to them in their own countries, as is proved in the third chapter.

Thirdly, whereas we have already sufficiently shewed, that if our commodities be over-balanced in value by foreign wares, our money must be carried out. How is it possible to prevent this by tying the strangers hands, and leaving the English loose? Shall not the same reasons and advantage cause that to be done by them now, that was done by the other before? Or if we will make a statute (without example) to prevent both alike, shall we not then overthrow all at once? The king in his customs and the kingdom in her profits; for such a restriction must of necessity destroy much trade, because the diversity of occasions and places which make an ample trade require that some men should both export and import wares; some export only, others import, some deliver out their monies by exchange, others take it up; some carry out money, others bring it in, and this in a greater or lesser quantity according to the good husbandry or excess in the kingdom, over which only if we keep a strict law, it will rule all the rest, and without this all other statutes are no rules either to keep or procure us treasure.

Lastly, to leave no objection unanswered, if it should be said that a statute comprehending the English as well as the stranger must needs

keep our money in the kingdom. What shall we get by this, if it hinder the coming in of money by the decay of that ample trade which we enjoyed in the freedom thereof? Is not the remedy far worse than the disease? Shall we not live more like Irishmen than Englishmen, when the king's revenues, our merchants, mariners, shipping, arts, lands, riches, and all decay together with our trade? *

Yea but, say some men, we have better hopes than so; for the intent of the statute is, that as all the foreign wares which are brought in shall be employed in our commodities, thereby to keep our money in the kingdom: so we doubt not but to send out a sufficient quantity of our own wares over and above to bring in the value thereof in ready money.

Although this is absolutely denied by the reasons afore-written, yet now we will grant it, because we desire to end the dispute: for if this be true, that other nations will vent more of our commodities than we consume of theirs in value, then I affirm that the overplus must necessarily return unto us in treasure without the use of the statute, which is therefore not only fruitless but hurtful, as some other like restricti-

* Had this author lived in our days, he would probably, instead of this reflexion, have mentioned Ireland, as one of the most illustrious examples of public spirit for promoting every kind of laudable industry.

ons are found to be when they are fully discovered.

CHAP XI.

It will not increase our treasure to enjoyn the merchant that exporteth fish, corn or munition, to return all or part of the value in money.

VICTUALS and munition for war are so precious in a commonwealth, that either it seemeth necessary to restrain the exportation altogether, or (if the plenty permits it) to require the return thereof in so much treasure; which appeareth to be reasonable and without difficulty, because Spain and other countries do willingly part with their money for such wares, although in other occasions of trade they strictly prohibit the exportation thereof: all which I grant to be true, yet notwithstanding we must consider that all the ways and means which (in course of trade) force treasure into the kingdom, do not therefore make it ours: for this can be done only by a lawful gain, and this gain is no way to be accomplished but by the overballance of our trade, and this overballance is made less by restrictions: therefore such restrictions do hinder the increase of our treasure. The argument is plain, and needs no other reasons to

Some restrictions hinder trade.

strengthen it, except any man be so vain to think that restrictions would not cause the less wares to be exported. But if this likewise should be granted, yet to enjoin the merchant to bring in money for victuals and munition carried out, will not cause us to have one penny the more in the kingdom at the year's end; for whatsoever is forced in one way must out again another way; because only so much will remain and abide with us as is gained and incorporated into the estate of the kingdom by the overballance of the trade.

This may be made plain by an example taken from an Englishman, who had occasion to buy and consume the wares of divers strangers for the value of six hundred pounds, and having wares of his own for the value of one thousand pounds, he sold them to the said strangers, and presently forced all the money from them into his own power; yet upon clearing of the reckoning between them there remained only four hundred pounds to the said Englishman for overballance of the wares bought and sold; so the rest which he had received was returned back from whence he forced it. And this shall suffice to shew that whatsoever courses we take to force money into the kingdom, yet so much only will remain with us as we shall gain by the ballance of our trade.

CHAP. XII.

The undervaluing of our money which is delivered or received by bills of exchange here or beyond the seas, cannot decrease our treasure.

THE merchants exchange by bills is a means and practice whereby they that have money in one country may deliver the same to receive it again in another country at certain times and rates agreed upon, whereby the lender and the borrower are accommodated without transporting of treasure from state to state.

These exchanges thus made between man and man, are not contracted at the equal value of the monies, according to their respective weights and fineness: First, because he that delivereth his money doth respect the venture of the debt, and the time of forbearance; but that which causeth an under or overvaluing of monies by exchange, is the plenty or scarcity thereof in those places where the exchanges are made. For example, when here is plenty of money to be delivered for Amsterdam, then shall our money be undervalued in exchange, because they who take up the money, seeing it so plentifully thrust

upon them, do hereby make advantage to themselves in taking the same at an undervalue.

And contrariwise, when here is scarcity of money to be delivered for Amsterdam, the deliverer will make the same advantage by overvaluing our money which he delivereth. And

thus we see that as plenty or scarcity of money in a commonwealth doth make all things dear or goods cheap: so in the course of exchange

it hath ever a contrary working; wherefore in the next place it is fit to set down the true causes of this effect.

As plenty or scarcity of money do make the price of the exchange high or low, so the over or under ballance of our trade doth effectually cause the plenty or scarcity of money: and here we must understand, that the ballance of our trade is either general or particular. The general is, when all our yearly traffic is jointly valued, as I have formerly shewed; the particular is when our trade to Italy, France, Turkey, Spain, and other countries are severally considered: and by this latter course we shall perfectly find out the places where our money is under or overvalued in exchange: for although our general exportations of wares may be yearly more in value than that which is imported, whereby the difference is made good to us in so

much treasure; nevertheless the particular trades do work diversly: for peradventure the Low Countries may bring us more in value than we sell them, which if it be so, then do the Low Country merchants not only carry away our treasure to ballance the accompt between us, but also by this means money being

What kinds of plenty or scarcity of money make the exchange high or low.

plentiful here to be delivered by exchange, it is therefore undervalued by the takers, as I have before declared; and contrariwise if we carry more wares to Spain, and other places than we consume of theirs, then do we bring away their treasure, and likewise in the merchant's exchange we overvalue our own money.

Yet still there are some who will seem to make this plain by demonstration, that the undervaluing of our money by exchange doth carry it out of the kingdom: for, say they, we see daily great store of our English coins carried over, which pass current in the Low Countries, and there is great advantage to carry them thither, to save the loss which the Low-Countrymen have in the exchange; for if one hundred pounds sterling delivered here, is so much undervalued, that ninety pounds of the same sterling money carried over in specie shall be sufficient to make repayment and full satisfaction of the said hundred pounds at Amsterdam: is it

not then (say they) the undervaluing of our money which causeth it to be carried out of the realm?

To this objection I will make a full and plain answer, shewing that it is not the undervaluing of our money in exchange, but the overballancing of our trade that carrieth away our treasure.

For suppose that our whole trade with the Low-Countries for wares brought into this realm be performed only by the Dutch for the value of five hundred thousand pounds yearly; and that all our commodities transported into the said Low-Countries be performed only by the English for four hundred thousand pounds yearly: is it not then manifest, that the Dutch can exchange only four hundred thousand pounds with the English upon the *par pro pari* or equal value of the respective standards? So the other hundred thousand pounds which is the overballance of the trade, they must of necessity carry that away in money. And the self same loss of treasure must happen if there were no exchange at all permitted: for the Dutch carrying away our money for their wares, and we bringing in their foreign coins for our commodities, there will be still one hundred thousand pounds loss.

Now let us add another example grounded upon the aforesaid proportion of trade between

us and the Low Countries. The Dutch (as afore written) may exchange with the English for four hundred thousand pounds and no more upon the equal value of the monies, because the English have no further means to satisfy. But now suppose that in respect of the plenty of money, which in this case will be here in the hands of the Dutch to deliver by exchange, our money (according to that which hath been already said) be undervalued ten per cent. then is it manifest that the Dutch must

The undervaluing of our money in exchange is the strangers loss and our gain.

deliver four hundred and forty thousand pounds to have the Englishman's four hundred thousand pounds in the Low Countries: so that there will then remain but 60000. pounds for the Dutch to carry out of the realm to ballance the accompt between them and us. Whereby we may plainly perceive that the undervaluing of our money in exchange, will not carry it out of the kingdom, as some men have supposed, but rather is a means to make a less quantity thereof to be exported, than would be done at the *par pro pari*.

Further, let us suppose that the English merchant carrieth out as much wares in value as the Dutch merchant bringeth in, whereby the means is equal between them to make their returns by exchange without carrying away of any money

to the prejudice of either state. And yet notwithstanding the Dutch merchant for his occasions or advantage will forsake this course of exchange, and will venture to send part of his returns in ready money.

To this the answer is, that hereupon it must follow of necessity, that the Dutch shall want just so much means in exchange with the English, who therefore shall be forced to bring in the like sum of money from beyond the seas, as the Dutch carried out of this realm; so that we may plainly perceive that the monies which are carried from us within the ballance of our trade are not considerable, for they do return to us again: and we lose those monies only which are made of the over-balance of our general trade, that is to say, that which we spend more in value in foreign wares, than we utter of our own commodities. And the contrary of this is

the only means by which we get our treasure. In vain therefore hath Gerard Malines laboured so long, and in so many printed books to make the world believe that the undervaluing of our money in exchange doth exhaust our treasure, which is a mere fallacy of the cause, attributing that to a secondary means, whose effects are wrought by another principal efficient, and

1 The canker of England's commonwealth.
2 Free trade.
3 Lex mercatoria.
4 The centre of trade.

would also come to pass although the said secondary means were not at all. As vainly also hath he propounded a remedy by keeping the price of exchange by bills at the *par pro pari* by publick authority, which were a new-found office without example in any part of the world, being not only fruitless but also hurtful, as hath been sufficiently proved in this chapter, and therefore I will proceed to the next.

CHAP. XIII.

The merchant who is a mere exchanger of money by bills cannot increase or decrease our treasure.

THERE are certain merchants which deal only upon all advantages in the exchange, and neither export nor import wares into the kingdom, which hath caused some men to affirm, that the money which such mere exchangers bring in or carry out of the realm is not comprehended in the ballance of our foreign trade; for (say they) sometimes when our sterling money hath been undervalued and delivered here for Amsterdam at 10. per cent. less than the equal value of the respective standards, the said mere exchanger may take here one thou-

and pounds sterling, and carry over only nine hundred thereof in specie, which will be sufficient to pay his bills of exchange. And so upon a greater or a lesser sum the like gain is made in three months time.

But here we must know, that although this mere exchanger deal not in wares, yet notwithstanding the money which he carrieth away in manner afore-written must necessarily proceed of such wares as are brought into the kingdom by merchants. So that still it falleth into the ballance of our foreign trade, and worketh the same effect, as if the merchant himself had carried away that money, which he must do if our wares be overballanced, as ever they are when our money is undervalued, which is expressed more at large in the 12. chapter.

And on the contrary, when the mere exchanger (by the said advantages) shall bring money into the kingdom, he doth no more than necessarily must be done by the merchant himself when our commodities overballance foreign wares. But in these occasions some merchants had rather lose by delivering their money at an undervalue in exchange, than undertake to hazard all by the law; which notwithstanding these mere exchangers will perform for them in hope of gain,

CHAP. XIV.

The admirable feats supposed to be done by bankers and the merchants exchange.

ALTHOUGH I have already written something concerning the merchants exchange, and therein of the undervaluation of our money, and of the mere exchanger, with their true causes and effects; nevertheless it will not be impertinent to pursue this business yet a little further, and thereby not only to strengthen our former arguments, but also to avoid some cunning delusions which might deceive the unskilful reader of those books entituled, *Lex Mercatoria*, pag. 409. and *The maintenance of free trade*, pag. 16. wherein the author Gerard Malynes setteth down the admirable feats (as he termeth them) which are to be done by bankers and exchangers, with the use and power of the exchange: but how these wonders may be effected he altogether omitteth, leaving the reader in a strange opinion of these dark mysteries, which I cannot think he did for want of knowledge, for I find him skilful in many things which he hath both written and collected concerning the affairs of merchants, and in particular he discourses well of divers

uses, forms and passages of the exchange, in all which as he hath taken great pains for the good of others, so do his works of this kind deserve much praise: but where he hath disguised his own knowledge with sophistry to further some private ends by hurting the publick good; there ought he to be discovered and prevented, unto which performance (in this discourse of treasure) I find myself obliged, and therefore I intend to effect it by shewing the true causes and means whereby these wonders are done, which Malynes attributeth to the sole power of the exchange. But first for order I think it fit to set down the particular feats as they stand in his said books.

The admirable feats to be done by exchange.

- 1. To lay their money with gain in any place of the world where any exchange lyeth.
- 2. To gain and wax rich, and never meddle with any prince's commodities.
- 3. To buy any prince's commodity, and never bring penny nor pennyworth into the realm, but do that with the subjects money.
- 4. To grow rich and live without adventure at sea or travel.
- 5. To do great feats having credit, and yet to be nought worth.
- 6. To understand whether in conjecture their

money employed on exchange, or buying of wares will be more profit.

- 7. To know certainly what the merchants gain upon their wares they sell and buy.
- 8. To live and encrease upon every prince's subjects that continually take up money by exchange, and whether they gain or no.
- 9. To wind out every prince's treasure out of his realm whose subjects bring in more wares than they carry out of the realm.
- 10. To make the staple of money run thither where the rich prince will have it to be brought, and pay for it.
- 11. To unfurnish the poor prince of his provision of money, that keeps his wares upon interest money, if the enemy will seek it.
- 12. To furnish their need of money that tarry the selling of their wares in any contract untill they make them come to their price.
- 13. To take up money to engross any commodity either new, or whereof they have some store to bring the whole trade of that commodity into their own hands to sell both at their pleasure.
- 14. To hide their carrying away of any prince's money.
- 15. To fetch away any prince's fine money with his own or any other prince's base money.
- 16. To take up a prince's base money and to

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turn into his fine money, and to pay the deliverer with his own, and gain too.

17. To take upon credit into their hands for a time all the merchants money that will be delivered, and pay them with their own, and gain too.

18. To make the realm gain of all other realms whose subjects live most by their own commodities, and sell yearly the overplus into the world, and both occupy that encrease yearly, and also their old store of treasure upon exchange.

19. To undo realms and princes that look not to their commonwealth, when the merchants wealth is such, that the great houses conspire together so to rule the exchange, that when they will be deliverers, they will receive in another place above the standard of the Mint of the prince's money delivered: and when they will be takers, they will pay the same in another place under the standard of the Mint of the prince's money taken up.

20. To get ready money to buy any commodity that is offered cheap.

21. To compass ready money to get any offered bargain out of another man's hands, and so by outbidding others oftentimes to raise the wares.

22. To get a part and sometimes all his gains that employeth money taken up by exchange in wares, and so make others travail for their gain.

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23. To keep princes from having any customs, subsidies or taxes upon their money, as they employ it not.

24. To value justly any wares they carry into any country by setting them at that value, as the money that bought them was then at by exchange in the country whither they be carried.

If I had a desire to amplify in the explanation of these wonders, they would afford me matter enough to make a large volume, but my intent is to do it as briefly as possibly I may without obscurity. And before I begin, I cannot chuse but laugh to think how a worthy lawyer might be dejected in his laudable studies, when he should see more cunning in *Lex mercatoria* by a little part of the merchants profession, than in all the law-cases of his learned authors: for this exchange goes beyond conjuring; I think verily that neither Doctor Faustus nor Banks his horse could ever do such admirable feats, although it is sure they had a devil to help them; but we merchants deal not with such spirits, we delight not to be thought the workers of lying wonders, and therefore I endeavour here to shew the plainness of our dealing (in these supposed feats) to be agreeable to the laudable course of trade.

And first, to lay our money with gain to a-

ny place of the world where exchange lieth. How can this be done (will some men say) for Amsterdam, when the loss by exchange is sometimes eight or ten per cent. more or less for one month's usance? The answer is, that here I must

The principal efficient cause of loss by exchange. consider, first, that the principal efficient cause of this loss, is a greater value in wares brought from Amsterdam than we carry thither,

which make more deliverers than takers here by exchange, whereby the money is undervalued to the benefit of the taker: hereupon the deliverer, rather than he will lose by his money, doth consider those countries, unto which we carry more wares in value than we receive from them; as namely, Spain, Italy, and others; to which places he is sure (for the reasons aforesaid) that he shall ever deliver his money with profit. But now you will say, that the money is further from Amsterdam than before; how shall it be got together? Yes, well enough; and the farther about will prove the nearest way home, if it come at last with good profit; the first part whereof being made (as we have supposed) in Spain, from thence I consider where to make my second gain, and finding that the Florentines send out a greater value in cloth of gold and silver, wrought silks, and rashes to Spain, than they receive in fleece wools, West-

India hides, sugar and cochineal, I know I cannot miss of my purpose by delivering my money for Florence; where (still upon the same ground) I direct my course from thence to Venice, and there find that my next benefit must be at Frankfort or Antwerp, untill at last I come to Amsterdam by a shorter or longer course, according to such occasions of advantage as the times and places shall afford me. And thus we see still, that the profit and loss upon the exchange is guided and ruled by the over or under ballance of the several trades which are predominant and active, making the price of exchange high or low, which is therefore passive, the contrary whereof is so often repeated by the said Malynes.

To the second, fourth, fourteenth, and twenty third, I say, that all these are the proper works of the meer exchanger, and that his actions cannot work to the good or hurt of the commonwealth, I have already sufficiently shewed in the last chapter and therefore here I may spare that labour.

To the third. It is true, I can deliver one thousand pounds here by exchange to receive the value in Spain, where with this Spanish money I can buy and bring away so much Spanish wares. But all this doth not prove, but that in the end the English money or commodities must

pay for the said wares: for if I deliver my thousand pounds here to an Englishman, he must pay me in Spain, either by goods already sent, or to be sent thither; or if I deliver it here to a Spaniard, he takes it of me, with intent to employ it in our wares; so that every way we must pay the stranger for what we have from him: are there any feats in all this worthy our admiration?

To the fifth, thirteenth, twentieth, and twenty first. I must answer these wonders by heaps, where I find them to be all one matter in divers forms, and such froth also, that every idiot knows them, and can say, that he who hath credit can contract, buy, sell, and take up much money by exchange, which he may do as well also at interest: yet in these courses they are not always gainers, for sometimes they live by the loss, as well as they who have less credit.

To the sixth and seventh. Here is more poor stuff; for when I know the current price of my wares, both here and beyond the seas, I may easily conjecture whether the profit of the exchange or the gain which I expect upon my wares will be greater. And again, as every merchant knows well what he gains upon the wares he buyeth and selleth, so may any other man do the like that can tell how the said merchant

hath proceeded: but what is all this to make us admire the exchange?

To the eighth and twelfth. As bankers and exchangers do furnish men with money for their occasions, so do they likewise let out their money at interest with the same hopes and like advantage, which many times notwithstanding fails them, as well as the borrowers often labour only for the lenders profit.

To the ninth and eighteenth. Here my author hath some secret meaning, or being conscious of his own errors, doth mark these two wonders with a ¶ in the margin. For why should this great work of enriching or impoverishing of kingdoms be attributed to the exchange, which is done only by those means that do over or under-balance our foreign trade, as I have already so often shewed, and as the very words of Malynes himself in these two places may intimate to a judicious reader?

To the fifteenth and sixteenth, I confess that the exchange may be used in turning base money into gold or silver, as when a stranger may coin and bring over a great quantity of farthings, which in short time he may disperse or convert into good money, and then deliver the same here by exchange to receive the value in his own country; or he may do this feat by carrying away the said good money in specie without

using the exchange at all, if he dare venture the penalty of the law. The Spaniards know well who are the common coiners of Christendom, that dare venture to bring them store of copper money of the Spanish stamp, and carry away the value in good ryals of eight, wherein notwithstanding all their cunning devices, they are sometimes taken tardie.

To the 17. The bankers are always ready to receive such sums of money as are put into their hands by men of all degrees, who have no skill or good means themselves to manage the same upon the exchange to profit. It is likewise true that the bankers do repay all men with their own, and yet reserve good gain to themselves, which they do as well deserve for their ordinary provision or allowance as those factors do which buy or sell for merchants by commission: and is not this likewise both just and very common?

Lex Mercatoria, pag. 410. Maintenance of free trade, pag. 17. To the 11. I must confess, that here is a wonder indeed, that a poor prince should keep either his wars or wares (I take both together as the author sets them down both ways differing in his said two books) upon interest money; for what needs the enemy of such a poor prince deal with the bankers to disappoint him or defeat him of his money in time of want, when

the interest itself will do this fast enough, and so I leave this poor stuff.

To the 19. I have lived long in Italy, where the greatest banks and bankers of Christendom do trade, yet could I never see nor hear, that they did, or were able to rule the price of exchange by confederacie, but still the plenty or scarcity of money in the course of trade did always overrule them and made the exchanges to run at high or low rates.

To the 22. The exchange by Exchange hinders not princes of their customs. bills between merchant and merchant in the course of trade cannot hinder princes of their customs and imposts: for the money which one man delivereth, because he will not, or hath not occasion to employ it in wares, another man taketh, because he either will or hath already laid it out in merchandize. But it is true, that when the wealth of a kingdom consisteth much in ready money, and that there is also good means and conveniencie in such a kingdom to trade with the same into foreign parts, either by sea or land, or by both these ways; if then this trade be neglected, the king shall be defeated of those profits: and if the exchange be the cause thereof, then must we learn in what manner this is done; for we may exchange either amongst ourselves, or with strangers; if amongst ourselves, the common-

wealth cannot be enriched thereby; for the gain of one subject is the loss of another. And if we exchange with strangers, then our profit is the gain of the commonwealth. Yet by none of these ways can the king receive any benefit in his customs. Let us therefore seek out the places where such exchanging is used, and set down the reasons why this practice is permitted; in search whereof we shall only find one place of note in all Christendom, which is Genoa, whereof I intend to say something as briefly as I can.

The present estate of the commonwealth of Genoa.

The state of Genoa is small, and not very fertile, having little natural wealth or materials to employ the people, nor yet victuals sufficient to feed them; but nevertheless by their industry in former times by foreign trade into Egypt, Syria, Constantinople, and all those Levant parts for spices, drugs, raw silks and many other rich wares, with which they served the most places of Europe, they grew to an incredible wealth, which gave life unto the strength of their cities, the pomp of their buildings, and other singular beauties. But after the foundation and encrease of that famous city of Venice, the said trades turned that way. And since likewise the greatest part thereof doth come into England, Spain, and the Low Countries by navigation di-

rectly from the East-Indies, which alterations in the traffic, hath forced them of Genoa to change their course of trading with wares, into exchanging of their money; which for gain they spread not only into divers countries where the trade is performed with merchandize, but more especially they do therewith serve the want of the Spaniards in Flanders and other places for their wares, whereby the private merchants are much enriched, but the public treasure by this course is not encreased, and the reasons why the commonwealth of Genoa doth suffer this inconvenience, are these.

First and principally, they are forced to leave those trades which they cannot keep from other nations, who have better means by situation, wares, shipping, munition, and the like, to perform these affairs with more advantage than they are able to do.

Secondly, they proceed like a wise state, who still retain as much trade as they can, although they are not able to procure the twentieth part of that which they had. For having few or no materials of their own to employ their people, yet they supply this want by the fleece-wools of Spain, and raw silks of Sicilia, working them into velvets, damasks, fattens, woollen-drapery, and other manufactures.

Thirdly, whereas they find no means in their

own country to employ and trade their great wealth to profit, they content themselves to do it in Spain and other places, either in merchandize, or by exchanging their monies for gain to those merchants who trade therewith in wares. And thus wheresoever they live abroad for a time circuiting the world for gain; yet in the end the center of this profit is in their own native country.

Lastly, the government of Genoa being Aristocracie, they are assured that although the public get little, yet if their private merchants gain much from strangers, they shall do well enough, because the richest and securest treasure of a free state, are the riches of the nobility (who in Genoa are merchants) which falleth not out so in a monarchy, where between the comings in of a prince, and the means of private men, there is this distinction of *meum et tuum*, but in the occasions and dangers of a republick or commonwealth, where liberty and government might be changed into servitude, there the proper substance of private men is the public treasure, ready to be spent with their lives in defence of their own sovereignty.

To the 24. If a merchant should buy wares here with intentions to send them for Venice, and then value them as the exchange comes from thence to London, he may find himself far wide of his reckoning: for before his goods arrive at

Venice, both the price of his wares and the rate of the exchange may alter very much. But if the meaning of the author be, that this valuation may be made after the goods arrive, and are sold at Venice, and the money remitted hither by exchange, or else the money which bought the said wares here may be valued as the exchange passed at that time from hence to Venice; is not all this very common and easy business, unworthy to be put into the number of admirable feats?

To the tenth. Although a rich prince hath great power, yet is there not power in every rich prince to make the staple of money run where he pleaseth: for the staple of any thing is not where it may be had, but where the thing doth most of all abound. Whereupon we commonly say, that the Spaniard, in regard of his great treasure in the West-Indies, hath the fountain or staple of money, which he moveth and causeth to run into Italy, Germany, the Low-Countries, or other places where his occasions do require it, either for peace or war. Neither is this effected by any singular power of the exchange, but by divers ways and means fitting those places where the money is to be employed. For if the use thereof be upon the confines of France to maintain a war there, then may it be safely sent in specie on carriages by land; if

in Italy, on gallies by sea; if in the Low-Countries, on shipping by sea also, but yet with more danger, in regard of his potent enemies in that passage. Wherefore in this occasion, although the exchange is not absolutely necessary, yet is it very useful. And because the Spaniards want of commodities from Germany and the Low-Countries is greater in value than the Spanish wares which are carried into those parts, therefore the king of Spain cannot be furnished there from his own subjects with money by exchange, but is and hath been a long time enforc'd to carry a great part of his treasure in gallies for

How the Italians are enabled to furnish Spain with money in Flanders.

Italy, where the Italians, and amongst them the merchants of Genoa especially, do take the same, and repay the value thereof in Flanders, whereunto they are enabled by their great trade with many rich commodities which they send continually out of Italy into those countries and the places thereabouts, from whence the Italians return no great value in wares, but deliver their money for the service of Spain, and receive the value by exchange in Italy out of the Spanish treasure, which is brought thither in gallies, as is afore-written.

So that by this we plainly see, that it is not the power of exchange that doth enforce treasure where the rich prince will have it, but it is

the money proceeding of wares in foreign trade that doth enforce the exchange, and rules the price thereof high or low, according to the plenty or scarcity of the said money; which in this discourse, upon all occasions, I think I have repeated near as often as Malynes in his books doth make the exchange to be an essential part of trade, to be active, predominant, over-ruling the price of wares and moneys, life, spirit, and the worker of admirable feats. All which we have now briefly expounded; and let no man admire why he himself did not take this pains, for then he should not only have taken away the great opinion which he laboured to maintain of the exchange, but also by a true discovery of the right operation thereof, he should utterly have overthrown his *par pro pari*; which project (if it had prevailed) would have been a good business for the Dutch, and to the great hurt of this commonwealth, as hath been sufficiently proved in the 12. chapter.

Now therefore let the learned lawyer fall cheerfully to his books again, for the merchant cannot put him down, if he have no more skill than is in his exchange. Are these such admirable feats, when they may be so easily known and done in the course of trade? Well then, if by this discovery we have eased the lawyer's mind, and taken off the edge of his admiration, let him

now play his part, and take out a writ of error against the *par pro pari*; for this project hath misinformed many, and put us to trouble to expound these riddles.

Nay, but stay a while, can all this pass for current, to slight a business thus, which (the author saith) hath been so seriously observed by that famous council, and those worthy merchants of queen Elizabeth of blessed memory, and also condemned by those French kings, Lewis the IXth. Philip the fair, and Philip de Valois, with confiscation of the bankers goods? I must confess that all this requires an answer, which in part is already done by the author himself. For he saith, that the wisdom of our state found out the evil, but they missed of the remedy; and yet what remedy this should be no man can tell; for there was none applyed, but all practice and use in exchange stand still to this day in such manner and form as they did at the time when these feats were discovered, for the state knew well that there needed no remedy where there was no disease.

Well then, how shall we be able to answer the proceedings of the French kings who did absolutely condemn the bankers, and confiscated their goods? Yes, well enough, for the bankers might perhaps be condemned for something done in their exchanges against the law, and yet their

profession may still be lawful, as it is in Italy and France itself to this day. Nay we will grant likewise that the banks were banished, when the bankers were punished; yet all this proves nothing against exchangers, for kings and states enact many statutes, and suddenly repeal them, they do and undo; princes may err, or else Malynes * is grossly mistaken, where he setteth down 35. several statutes and other ordinances enacted by this state in 350. years time to remedy the decay of trade, and yet all are found defective; only his reformation of the exchange, or *par pro pari*, is effectual, if we would believe him; but we know better, and so we leave him.

I might here take occasion to say something against another project of the same brood that lately attended upon the success of this *par pro pari*, as I have been credibly informed, which is, the changing and re-changing here within the realm, of all the plate, bullion and monies, foreign or sterling, to pass only by an office called, the king's royal exchanger, or his deputies, paying them a penny upon the value of every noble: which might raise much to their private good, and destroy more to the public hurt. For it would decay the king's coinage, deprive the kingdom of much treasure, abridge the subjects of their just liberty, and utterly overthrow the

* Maintenance of free trade, p. 76, 77, 78, and 79.

worthy trade of the goldsmiths, all which being plain and easy to the weakest understandings, I will therefore omit to amplify upon these particulars.

CHAP. XV.

Of some excesses and evils in the commonwealth, which notwithstanding decay not our trade nor treasure.

IT is not my intent to excuse or extenuate any the least excess or evil in the commonwealth, but rather highly to approve and commend that which by others hath been spoken and written against such abuses. Yet in this discourse of treasure, as I have already set down affirmatively, which are the true causes that may either augment or decrease the same: so is it not impertinent to continue my negative declarations of those enormities and actions which cannot work these effects as some men have supposed. For in redress of this important business, if we mistake the nature of the malady, we shall ever apply such cures as will at least delay, if not confound the remedy.

Let us then begin with usury, which if it might be turned into charity, and that they who are rich would lend to the poor freely; it were

a work pleasing to Almighty God, and profitable to the commonwealth. But taking it in the degree it now stands; how can we well say, that as usury encreaseth, so trade decreaseth? For although it is true that some men give over trading, and buy lands, or put out their money to use when they are grown rich, or old, or for some other the like occasions; yet for all this it doth not follow, that the quantity of the trade must lessen; for this course in the rich giveth opportunity presently to the younger and poorer merchants to rise in the world, and to enlarge their dealings; to the performance whereof, if they want means of their own, they may, and do, take it up at interest: so that our money lies not dead, it is still traded. How many merchants, and shop-keepers have begun with little or nothing of their own, and yet are grown very rich by trading with other men's money? Do we not know, that when trading is quick and good, many men, by means of their experience, and having credit to take up money at interest, do trade for much more than they are worth of their own stock? By which diligence of the industrious, the affairs of the commonwealth are increased, the moneys of widows, orphans, lawyers, gentlemen, and others, are employed in the course of foreign trade, which themselves have no skill to perform. We find

Lending of Money

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*As much
Control*

at this present, that notwithstanding the poverty we are fallen into by the excesses and losses of late times, yet that many men have much money in their chests, and know not how to dispose thereof, because the merchant will not take the same at interest (although at low rates) in regard there is a stop of trade in Spain and in France, whereby he cannot employ his own means, much less other mens moneys. So that for these, and some other reasons which might be alledged, we might conclude, contrary to those who affirm, that trade decreaseth as usury encreaseth, for they rise and fall together.

In the next place, we hear our lawyers much condemned; the vexation and charges by multiplicity of suits do exceed all the other kingdoms of Christendom, but whether this proceed from the lawyers covetousness, or the peoples perverseness, it is a great question. And let this be as it may, I will enquire no farther therein than our present discourse doth require, concerning the decay of our trade, and impoverishing of the kingdom: sure I am, that suits in law make many a man poor and penniless, but how it should make us trade for less by one single penny, I cannot well conceive. For although amongst the great number of them who are vexed and undone by controversies, there be ever

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some merchants; yet we know, that one man's necessity becomes another man's opportunity. I never knew as yet, a decay in our trade and treasure for want of merchants, or means to employ us, but rather by excessive consumption of foreign wares at home, or by a declination in the vent of our commodities abroad, caused either by the ruinous effects of wars, or some alterations in the times of peace, whereof I have spoken more fully in the third chapter. But, to conclude with the lawyers, I say, that their noble profession is necessary for all, and their cases, quilllets, delays and charges, are mischievous to many; these things indeed are cankers in the estates of particular men, but not of the commonwealth, as some suppose, for one man's loss becomes another man's gain, it is still in the kingdom, I wish it might as surely remain in the right places.

Lastly, all kind of bounty and pomp is not to be avoided, for if we should become so frugal, that we would use few or no foreign wares, how shall we then vent our own commodities? What will become of our ships, mariners, munitions, our poor artificers, and many others? Do we hope that other countries will afford us money for all our wares, without buying or bartering for some of theirs? This would prove a vain expectation; it is more safe and sure to run a

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middle course by spending moderately, which will purchase treasure plentifully.

Again, the pomp of buildings, apparel, and the like, in the nobility, gentry, and other able persons, cannot impoverish the kingdom; if it be done with curious and costly works upon our materials, and by our own people, it will maintain the poor with the purse of the rich, which is the best distribution of the commonwealth. But if any man say, that when the people want work, then the fishing-trade would be a better employment, and far more profitable; I subscribe willingly. For in that great business there is means enough to employ both rich and poor, whereof there hath been much said and written; it resteth only that something might be as well effected for the honour and wealth, both of the king and his kingdoms.

C H A P. XVI.

How the revenues and incomes of princes may justly be raised.

NOW that we have set down the true course by which a kingdom may be enriched with treasure; in the next place we will endeavour to shew the ways and means by which

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a king may justly share therein without the hurt or oppression of his subjects. The revenues of princes as they differ much in quantity according to the greatness, riches and trade of their respective dominions; so likewise is there great diversity used in procuring the same, according to the constitution of the countries, the government, laws and customs of the people, which no prince can alter but with much difficulty and danger. Some kings have their crown lands, the first fruits upon ecclesiastical livings, customs, tolls and imposts upon all trade to and from foreign countries; loans, donations and subsidies upon all necessary occasions. Other princes and states leaving the three last, do add unto the rest, a custom upon all new wares transported from one city, to be used in any other city or place of their own dominions, customs upon every alienation or sale of live cattle, lands, houses, and the portions or marriage money of women, licence money upon all victualling houses and inkeepers, head money, custom upon all the corn, wine, oyl, salt and the like, which grow and are consumed in their own dominions, &c. All which seem to be a rabble of oppressions, serving to enrich those princes which exact them, and to make the people poor and miserable which endure them; especially in those countries where these burdens are laid at

James

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heavy rates, at 4, 5, 6, and 7. per cent. But when all the circumstances and distinction of places are duly considered, they will be found not only necessary and therefore lawful to be used in some states, but also in divers respects very profitable to the commonwealth.

First there are some states, as namely Venice, Florence, Genoa, the united provinces of the Low Countries, and others, which are singular for beauty, and excellent both for natural and artificial strength, having likewise rich subjects : yet being of no very great extent, nor enjoying such wealth by ordinary revenues as might support them against the sudden and powerful invasions of those mighty princes which do environ them ; they are therefore enforced to strengthen themselves not only with confederates and leagues (which may often fail them in their greatest need) but also by massing up store of treasure and munition by those extraordinary courses before-written, which cannot deceive them, but will ever be ready to make a good defence, and to offend or divert their enemies.

Neither are these heavy contributions so hurtful to the happiness of the people, as they are commonly esteemed : for as the food and rayment of the poor is made dear by excise, so doth the price of their labour rise in proportion ; whereby the burden (if any be) is still up-

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on the rich, who are either idle, or at least work not in this kind, yet have they the use and are the great consumers of the poor's labour : neither do the rich neglect in their several places and callings to advance their endeavours according to those times which do exhaust their means and revenues ; wherein if they should peradventure fail, and therefore be forced to abate their sinful excess and idle retainers ; what is all this but happiness in a commonwealth, when virtue, plenty and arts shall thus be advanced all together ? nor can it be truly said that a kingdom is impoverished where the loss of the people is the gain of the king, from whom also such yearly incomes have their annual issue to the benefit of his subjects ; except only that part of the treasure which is laid up for the public good ; wherein likewise they who suffer have their safety, and therefore such contributions are both just and profitable.

Yet here we must confess, that as the best things may be corrupted, so these taxes may be abused and the commonwealth notoriously wronged when they are vainly wasted and consumed by a prince, either upon his own excessive pleasures, or upon unworthy persons, such as deserve neither rewards, nor countenance from the majesty of a prince : but these dangerous disorders are seldom seen, especially in such

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states as are aforementioned, because the disposing of the public treasure is in the power and under the discretion of many; neither is it unknown to all other principalities and governments that the end of such excesses is ever ruinous, for they cause great want and poverty, which often drives them from all order to exorbitance, and therefore it is common policy amongst princes to prevent such mischiefs with great care and providence, by doing nothing that may cause the nobility to despair of their safety, nor leaving any thing undone which may gain the good will of the commonalty to keep all in due obedience.

Some states cannot subsist, but by the means of heavy taxes. But now before we end this point in hand, we must remember likewise that all bodies are not of one and the same constitution, for that which is phyfic to one man, is little better than poison to another; the states aforementioned, and divers others like to them cannot subsist but by the help of those extraordinary contributions, whereof we have spoken, because they are not able otherwise in short time to raise sufficient treasure to defend themselves against a potent enemy, who hath power to invade them on the sudden, as is already declared. But a mighty prince whose dominions are great and united, his subjects many and loyal, his countries rich

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both by nature and traffic, his victuals and warlike provisions plentiful and ready, his situation easy to offend others, and difficult to be invaded, his harbours good, his navy strong, his alliance powerful, and his ordinary revenues sufficient, royally to support the majesty of his state, besides a reasonable sum which may be advanced to lay up yearly in treasure for future occasions: shall not all these blessings (being well ordered) enable a prince against the sudden invasion of any mighty enemy, without imposing those extraordinary and heavy taxes? shall not the wealthy and loyal subjects of such a great and just prince maintain his honour and their own liberties with life and goods, always supplying the treasure of their sovereign, untill by a well ordered war he may enforce a happy peace? yes verily, it cannot otherwise be expected. And thus shall a mighty prince be more powerful in preserving the wealth and love of his subjects, than by treasuring up their riches with unnecessary taxes, which cannot but alter and provoke them.

Yea, but say some men, we may easily contradict all this by examples taken from some of the greatest monarchs of Christendom, who, besides those incomes which here are termed ordinary, they add likewise all, or the most of the other

heavy contributions. All which we grant, and more; for they use also to sell their offices and places of justice, which is an act both base and wicked, because it robbeth worthy men of their merits, and betrayeth the cause of the innocent, whereby God is displeas'd, the people oppress'd, and virtue banish'd from such unhappy kingdoms: shall we then say, that these things are lawful and necessary because they are used?

God forbid, we know better, and we are well assured that these exactions are not taken for a necessary defence of their own right, but through pride and covetousness to add kingdom to kingdom, and so to usurp the right of others:

The sinister ends which some great princes have in laying heavy taxes upon their subjects. which actions of impiety are ever shadowed with some fair pretence of sanctity, as being done for the catholic cause, the propagation of the church, the suppression of heretics, and such like delusions, serving only to further their own ambition, whereof in this place in shall be needless to make any larger discourse.

CHAP. XVII.

Whether it be necessary for great princes to lay up store of treasure.

BEFORE we set down the quantity of treasure which princes may conveniently lay up yearly without hurting the commonwealth, it will be fit to examine whether the act itself of treasuring be necessary: for in common conference we ever find some men who do so much dote or hope upon the liberality of princes, that they term it baseness, and conceive it needless for them to lay up store of treasure, accounting the honour and safety of great princes to consist more in their bounty, than in their money, which they labour to confirm by the examples of Caesar, Alexander, and others, who hating covetousness, atchieved many acts and victories by lavish gifts and liberal expences. Unto which they add also the little fruit which came by that great sum of money which king David laid up and left to his son Solomon, who notwithstanding this, and all his other rich presents and wealthy traffic in a quiet reign, consumed all with pomp and vain delights, excepting only that which was spent

in building of the Temple. Whereupon (say they) if so much treasure gathered by so just a king, effect so little, what shall we hope for by the endeavours of this kind in other princes? Sardanapalus left ten millions of pounds to them that slew him. Darius left twenty millions of pounds to Alexander that took him: Nero being left rich, and extorting much from his best subjects, gave away above twelve millions of pounds to his base flatterers and such unworthy persons, which caused Galba after him to revoke those gifts. A prince who hath store of money hates peace, despiseth the friendship of his neighbours and allies, enters not only into unnecessary, but also into dangerous wars, to the ruin and over-throw (sometimes) of his own estate: all which, with divers other weak arguments of this kind, (which for brevity I omit) make nothing against the lawful gathering and massing up of treasure by wise and provident princes, if they be rightly understood.

For first, concerning those worthies who have obtained to the highest top of honour and dignity, by their great gifts and expences, who knows not that this hath been done rather upon the spoils of their enemies than out of their own coffers, which is indeed a bounty that causeth neither loss nor peril? whereas on the contrary, those princes which do not providently lay up

treasure, or do immoderately consume the same when they have it, will suddenly come to want and misery; for there is nothing doth so soon decay as excessive bounty, in using whereof they want the means to use it. And this was king Solomon's case, notwithstanding his infinite treasure, which made him over-burden his subjects in such a manner, that (for this cause) many of them rebelled against his son Rehobam, who thereby lost a great part of his dominions, being so grossly misled by his young counsellors. Therefore a prince that will not oppress his people, and yet be able to maintain his estate, and defend his right, that will not run himself into poverty, contempt, hate, and danger, must lay up treasure, and be thrifty, for further proof whereof I might yet produce some other examples, which here I do omit as needless.

Excess in bounty brings beggary, which makes most men devise in their heads how to extort and get money into their hands.

Only I will add this as a necessary rule to be observed, that when more treasure must be raised than can be received by the ordinary taxes, it ought ever to be done with equality to avoid the hate of the people, who are never pleased except their contributions be granted by general consent: for which purpose the invention of parliaments is an excellent policie of govern-

ment, to keep a sweet concord between a king and his subjects, by restraining the insolence of the nobility, and redressing the injuries of the commons, without engaging a prince to adhere to either party, but indifferently to favour both. There could nothing be devised with more judgment for the common quiet of a kingdom, or with greater care for the safety of a king, who hereby hath also good means to dispatch those things by others, which will move envy, and to execute that himself which will merit thanks.

CHAP. XVIII.

How much treasure a prince may conveniently lay up yearly.

THUS far we have shewed the ordinary and extraordinary incomes of princes, the conveniency thereof, and to whom only it doth necessarily and justly belong, to take the extraordinary contributions of their subjects. It resteth now to examine what proportion of treasure each particular prince may conveniently lay up yearly. This business doth seem at the first to be very plain and easy, for if a prince have two millions yearly revenue, and spend but one, why should he not lay up the other? Indeed I must

confess that this course is ordinary in the means and gettings of private men, but in the affairs of princes it is far different, there are other circumstances to be considered; for although the revenue of a king should be very great, yet if the gain of the kingdom be but small, this latter must ever give rule and proportion to that treasure, which may conveniently be laid up yearly, for if he should mass up more money than is gained by the overballance of his foreign trade, he shall not fleece, but flea his subjects, and so with their ruin overthrow himself for want of future sheerings. To make this plain, suppose a kingdom to be so rich by nature and art, that it may supply it self of foreign wares by trade, and yet advance yearly 200,000 l. in ready money: next suppose all the king's revenues to be 900,000 l. and his expences but 400,000 l. whereby he may lay up 300,000 l. more in his coffers yearly than the whole kingdom gains from strangers by foreign trade; who sees not then that all the money in such a state, would suddenly be drawn into the prince's treasure, whereby the life of lands and arts must fail and fall to the ruin both of the public and private wealth? So that a king who desires to lay up much money must endeavour by all good means to maintain and encrease his

Foreign trade must give proportion to a prince's treasure which is laid up yearly.

A prince whose subjects have but little foreign trade cannot lay up much money. foreign trade, because it is the sole way not only to lead him to his own ends, but also to enrich his subjects to his farther benefit: for a prince is esteemed no less powerful by having many rich and well affected subjects, than by possessing much treasure in his coffers.

But here we must meet with an objection, which peradventure may be made concerning such states (whereof I have formerly spoken) which are of no great extent, and yet bordering upon mighty princes, are therefore constrained to lay extraordinary taxes upon their subjects, whereby they procure to themselves very great incomes yearly, and are richly provided against any foreign invasions; yet have they no such great trade with strangers, as that the overballance or gain of the same may suffice to lay up the one half of that which they advance yearly, besides their own expences.

To this the answer is, that still the gain of their foreign trade must be the rule of laying up their treasure, the which although it should not be much yearly, yet in the time of a long continued peace, and being well managed to advantage, it will become a great sum of money, able to make a long defence, which may end or divert the war. Neither are all the advances of

princes strictly tied to be massed up in treasure, for they have other no less necessary and profitable ways to make them rich and powerful, by issuing out continually a great part of the money of their yearly incomes to their subjects from whom it was first taken; as namely, by employing them to make ships of war, with all the provisions thereunto belonging, to build and repair forts, to buy and store up corn in the granaries of each province for a year's use (at least) aforehand, to serve in occasion of dearth, which cannot be neglected by a state but with great danger, to erect banks with their money for the encrease of their subjects trade, to maintain in their pay, colonels, captains, soldiers, commanders, mariners, and others, both by sea and land, with good discipline, to fill their storehouses (in sundry strong places) and to abound in gun-powder, brimstone, saltpeter, shot, ordnance, muskets, swords, pikes, armours, horses, and in many other such like provisions fitting war; all which will make them to be feared abroad, and loved at home, especially if care be taken that all (as near as possible) be made out of the matter and manufacture of their own subjects, which bear the burden of the yearly contributions; for a prince (in this case) is like the stomach in the

Munition for war ought to be kept in divers places of the state, to prevent the loss of all by treachery in one place.

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body, which if it cease to digest and distribute to the other members, it doth no sooner corrupt them, but it destroys it self.

Thus we have seen that a small state may lay up a great wealth in necessary provisions, which are princes jewels, no less precious than their treasure, for in time of need they are ready, and cannot otherwise be had (in some places) on the sudden, whereby a state may be lost, whilst munition is in providing: so that we may account that prince as poor who can have no wares to buy at his need, as he that hath no money to buy wares; for although treasure is said to be the sinews of the war, yet this is so because it doth provide, unite and move the power of men, victuals, and munition where and when the cause doth require; but if these things be wanting in due time, what shall we then do with our money? The consideration of this, doth cause divers well-governed states to be exceeding provident and well furnished of such provisions, especially those granaries and store-houses with that famous arsenal of the Venetians, are to be admired for the magnificence of the buildings, the quantity of the munitions and stores both for sea and land, the multitude of the workmen, the diversity and excellency of the arts, with the order of the government. They are rare and worthy things for princes to behold and imitate;

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for majesty without providence of competent force, and ability of necessary provisions is unassured.

CHAP. XIX.

Of some different effects, which proceed from natural and artificial wealth.

IN the latter end of the third chapter of this book, I have already written something concerning natural and artificial wealth, and therein shewed how much art doth add to nature; but it is yet needful to handle these particulars apart, that so we may the better discern their several operations in a commonwealth. For the effecting whereof, I might draw some comparisons from Turkey and Italy, or from some other remote countries; but I will not range so far, having matter sufficient here in Great Britain and the united provinces of the Low Countries, to make this business plain: wherefore, in the first place, we will begin with England briefly, and only in general terms, to shew the natural riches of this famous nation, with some principal effects which they produce in the disposition of the people, and strength of the kingdom.

If we duly consider England's largeness, beau-

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ty, fertility, strength, both by sea and land, in multitude of warlike people, horses, ships, ammunition, advantageous situation for defence and trade, number of sea-ports and harbours, which are of difficult access to enemies, and of easie out-let to the inhabitants wealth by excellent fleece-wools, iron, lead, tin, saffron, corn, victuals, hides, wax, and other natural endowments; we shall find this kingdom capable to fit as master of a monarchy. For what greater glory and advantage can any powerful nation have, than to be thus richly and naturally possessed of all things needful for food, rayment, war, and peace, not only for its own plentiful use, but also to supply the wants of other nations, in such a measure, that much money may be thereby gotten yearly, to make the happiness complete. For experience telleth us, that notwithstanding that excessive consumption of this kingdom alone, to say nothing of Scotland, there is exported *communibus annis* of our own native commodities for the value of twenty two hundred thousand pounds sterling, or somewhat more; so that if we were not too much affected to pride, monstrous fashions, and riot, above all other nations, one million and an half of pounds might plentifully supply our unnecessary wants (as I may term them) of silks, sugars, spices, fruits, and all others; so that seven hundred

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thousand pounds might be yearly treasur'd up in money to make the kingdom exceeding rich and powerful in short time. But this great plenty which we enjoy, makes us a people not only vicious and excessive, wasteful of the means we have, but also improvident and careless of much other wealth that shamefully we lose, which is, the fishing in his majesty's seas of England, Scotland, and Ireland, being of no less consequence than all our other riches which we export and vent to strangers, whilst in the mean time (through lewd idleness) great multitudes of our people cheat, roar, rob, hang, beg, cant, pine and perish, which by this means and maintenance might be much encreas'd; to the further wealth and strength of these kingdoms, especially by sea, for our own safety, and terror of our enemies. The endeavours of the industrious Dutch do give sufficient testimony of this truth, to our great shame, and no less peril, if it have not a timely prevention: for, whilst we leave our wonted honourable exercises and studies, following our pleasures, and of late years besotting our selves with pipe and pot, in a beastly manner, sucking smoak, and drinking healths, until death stares many in the face; the said Dutch have well near left this swinish vice, and taken up our wonted valour,

The fruits of idleness, which are England's common reproaches among strangers.

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which we have often so well performed both by sea and land, and particularly in their de-

The Netherlanders ingratitudes. fence, although they are not now so thankful as to acknowledge the same. The sum of all is this, that the general leprosy of our piping, potting, feasting, fashions, and mis-spending of our time in idleness and pleasure (contrary to the law of God, and the use of other nations) hath made us effeminate in our bodies, weak in our knowledge, poor in our treasure, declined in our valour, unfortunate in our enterprizes, and contemned by our enemies. I write the more of these excesses, because they do so greatly waste our wealth, which is the main subject of this whole book's discourse: and indeed our wealth might be a rare discourse for all Christendom to admire and fear, if we would but add art to nature, our labour to our natural means; the neglect whereof hath given a notable advantage to other nations, and especially to the Hollanders, whereof I will briefly say something in the next place.

But first, I will deliver my opinion concerning our clothing, which although it is the greatest wealth and best employment of the poor of this kingdom, yet nevertheless we may peradventure employ our selves with better safety, plenty, and profit in using more tillage and fishing, than to trust so wholly to the making of

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cloth; for in times of war, or by other occasions, if some foreign princes should prohibit the use thereof in their dominions, it might suddenly cause much poverty and dangerous uproars, especially by our poor people, when they should be deprived of their ordinary maintenance, which cannot so easily fail them when their labours should be divided into the said diversity of employments, whereby also many thousands would be the better enabled to do the kingdom good service in occasion of war, especially by sea: and so leaving England, we will pass over into the united provinces of the Netherlands.

As plenty and power do make a nation vicious and improvident, so penury and want do make a people wise and industrious: concerning the last of these I might instance divers commonwealths of Christendom, who having little or nothing in their own territories, do notwithstanding purchase great wealth and strength by their industrious commerce with The Hollanders improvement and industry. strangers, amongst which the united provinces of the Low Countries are now of greatest note and fame: for since they have cast off the yoke of Spanish slavery, how wonderfully are they improved in all humane policy? What great means have they obtained to defend their liberty against the power

of so great an enemy? And is not all this performed by their continual industry in the trade of merchandize? Are not their provinces the magazines and store-houses of wares for most places of Christendom, whereby their wealth, shipping, mariners, arts, people, and thereby the public revenues and excises are grown to a wonderful height? If we compare the times of their subjection, to their present estate, they

seem not the same people; for who knows not that the condition of those provinces was mean and turbulent under the Spaniards government, which brought rather a greater charge than a further

strength to their ambition; neither would it prove over-difficult for the neighbour princes in short time to reduce those countries to their former estate again, if their own safety did require the same, as certainly it would if the Spaniard were sole lord of those Netherlands; but our discourse tends not to shew the means of those mutations, otherwise than to find out the chief foundation of the Hollanders wealth and greatness: for it seems a wonder to the world, that such a small country, not fully so big as two of our best shires, having little natural wealth, victuals, timber, or other necessary amunitions, either for war or peace, should not

Those princes which do willingly support the Dutch, would as resolutely resist the Spaniard.

withstanding possess them all in such extraordinary plenty, that besides their own wants (which are very great) they can and do likewise serve and sell to other princes, ships, ordnance, cordage, corn, powder, shot, and what not, which by their industrious trading they gather from all the quarters of the world: in which courses they are not less injurious to sup- plant others (especially the Eng- lish) than they are careful to

Much policy, but little honesty.

strengthen themselves. And to effect this and more than hath been said (which is their war with Spain) they have little foundation besides the fishing, which is permitted them in his majesty's seas, being indeed the means of an incredible wealth and strength, both by sea and land, as Robert Hichcock, Tobias Gentleman, and others have published at large in print to them that list to read. And the States general themselves in their proclamation have ingeniously set out the worth thereof in these words following,

The great fishing and catching of herrings is the chiefest trade and principal gold mine of the United Provinces, whereby many thou-

Part of the states proclamation, dated in the Hague, 19. July 1624.

sands of husholds, families, handicrafts, trades and occupations are set on work, well maintained and prosper, especially the sailing and navigation, as well within as without these countries is

kept in great estimation; moreover many returns of money, with the encrease of the means, convoys, customs and revenues of these countries are augmented thereby and prosper, with other words following, as is at large expressed in the said proclamations, set forth by the states general for the preservation of the said trade of fishing; without which it is apparent that they cannot long subsist in sovereignty; for if this foundation perish, the whole building of their wealth and strength both by sea and land must fall; for the multitude of their shipping would suddenly decay, their revenues and customs would become small, their countries would be depopulated for want of maintenance, whereby the excise must fail, and all their other trades to the East Indies or elsewhere must faint. So that the glory and power of these Netherlanders consisteth in this fishing of herrings, ling and cod in his majesty's seas. It resteth therefore to know what right or title they have thereunto, and how they are able to possess and keep the same against all other nations.

The answers to these two questions are not difficult: for first, it is not the Netherlandish author of *Mare Liberum* that can intitle them to fish in his majesty's seas. For besides the justice of the cause, and examples of other countries, which might be alledged, I will only say,

that such titles would be sooner decided by swords, than with words; I do believe indeed that it is free for the fish to come thither at their pleasure, but for the Dutch to catch and carry them away from thence without his majesty's licence, I harbour no such thought. There may be good policy to connive still, and so long to permit them this fishing as they are in perfect league with England, and in war with Spain. But if the Spaniards were masters of the United Provinces as heretofore, it would nearly concern these kingdoms to claim their own right, and carefully to make as good use thereof for increase of their wealth and strength, to oppose that potent enemy, as now the Netherlanders do, and are thereby well enabled for the same purpose; by which particular alone they are ever bound to acknowledge their strong alliance with England, above all other nations, for there is none that hath the like good means to lend them such a powerful maintenance. Nor

were it possible for the Spaniard Money and fishing compared.
(if he had those countries again)

to make a new foundation with the power of his money, to encrease his strength, either by sea or land, to offend these kingdoms, more than he is now able to perform with the convenience of those provinces which he hath already in his possession; for it is not the place, but the

employment, not the barren Netherlands, but the rich fishing, which gives foundation, trade, and subsistence to those multitudes of ships, arts and people, whereby also the excises and other public revenues are continued, and without which employment all the said great dependences must necessarily disbandon and fail in very short time. For although I confess, that store of money may bring them materials (which they altogether want) and artsmen to build them shipping, yet where are the wares to freight and maintain them? if money then shall be the only means to send them out in trade, what a poor number of ships will this employ? or if the uncertain occasions of war must support them, will not this require another Indies, and all too little to maintain the tenth part of so many ships and men as the Hollanders do now set on work by the fishing and other trades thereon depending? But if it be yet said, that the Spaniard being lord of all those Netherlands, his expence of the present war there will cease, and so this power may be turned upon us. The answer is, that when princes send great forces abroad to invade others, they must likewise increase their charge and strength at home, to defend themselves; and also we must consider, that if the Spaniard will attempt any thing upon these kingdoms, he must consume a great part of his treasure in shipping,

whereby the means of his invading power of money and men to land will be much less than now it is in the Low-Countries: nor should we regard them, but be ever ready to beard them, when our wealth and strength by sea and land might be so much encreased by the possession and practice of our fishing, of which particular I will yet say something more where occasion shall be offered in that which followeth. And here in this place I will only add, that if the Spaniard were sole lord of all the Netherlands, he must then necessarily drive a great trade by sea, to supply the common wants of those countries, whereby in occasion of war, we should have means daily to take much wealth from him; whereas now the Spaniard using little or no trade in these seas, but imploying his ships of war to the uttermost of his power, he only takes, and we lose great matters continually.

Now concerning the second question, whether the Hollanders be able to possess and keep this fishing against all other nations. It is very probable, that although they claim now no other right than their own freedom in this fishing, seeming to leave the like to all others; yet if the practice of any nation should seek either to fish with them or to supplant them, they would be both ready and able to maintain this golden mine, against the strongest opposition except England,

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whose harbours and in-lands with other daily reliefs are very needful, if not absolutely necessary for this employment, and whose power also by sea, is able (in short time) to give this business disturbance, and utter ruin, if the occasion should be so urgent as is afore supposed: neither is it enough for any man to contradict all this by saying the Hollanders are very strong by sea, when both sea and land encounter them with a greater power: we must observe from whence their strength doth grow, and if the root may once be spoiled, the branches soon will wither; and therefore it were an error to esteem, or value them according to the present power and wealth, which they have obtained by trade or purchase; for although this were far greater than indeed it is, yet would it soon be consumed in a chargeable war against a potent enemy, when the current of those accidents may be stopt and turned by preventing the substance itself (which is the fishing in his majesty's seas) that gives foundation, and is the very fountain of their strength and happiness: the United Provinces (we know) are like a fair bird suited with goodly borrowed plumes; but if every fowl should take his feather, this bird would rest near naked: nor have we ever seen these Netherlanders as yet in their greatest occasions to set forth near so many ships of war at once as

BY FOREIGN TRADE. III

the English have often done without any hindrance of their ordinary traffic; it is true indeed, they have an infinite number of weak ships to fish with, and fetch corn, salt, &c. for their own victualling and trading, the like to fetch timber, plank, boards, pitch, hemp, tar, flax, masts, cordage, and other ammunitions to make those multitudes of ships, which unto them are as our ploughs to us, the which except The Netherlanders ploughs. they stir, the people starve; their shipping therefore cannot be spared from their traffic (as ours may if occasion require) no not for a very short time, without utter ruin, because it is the daily maintenance of their great multitudes which gain their living but from hand to mouths, upon which also depends the great excises, and other public revenues, which support the state itself: neither indeed are those vessels strong or fit for war; and in their proper use of fishing and trade they would become the riches, or the purchase of a potent enemy by sea, as they partly find by one poor town of Dunkirk, notwithstanding their great charge of men of war, strong convoys, and other commendable diligence, which continually they use to prevent this mischief: but if the occasion of a more powerful enemy by sea should force them to double or treble those charges, we may well doubt the means of their continuance, especi-

ally when (by us) their fishing might nevertheless be prevented, which should procure the maintenance. These and other cir-

Men who speak by affection or tradition, not from reason.

cumstances make me often wonder, when I hear the Dutch vain-gloriously to brag, and many English simply to believe, that the United Provinces are our forts, bulwarks, walls, out-works, and I know not what, without which we cannot

long subsist against the Spanish forces; when in truth, we are the main fountain of their happiness, both for war and peace; for trade and treasure, for munition and men, spending our blood in their defence; whilst their people are preserved to conquer in the Indies, and to reap the fruits of a rich traffic out of our own bosoms; which being assumed to ourselves (as we have right and power to do) would mightily encrease the breed of our people by this good means of their maintenance, and well enable us against the strongest enemy, and force likewise great multitudes of those Netherlanders themselves to seek their living here with us for want of better maintenance: whereby our many decayed sea-towns and castles would soon be re-edified and populated in more ample manner than formerly they were in their best estate. And thus these forces being united, would be ever

The Hollanders main supportance is England's good alliance.

more ready, sure, and vigorous than a greater strength that lies divided, which is always subject to delays, diversion, and other jealousies, of all which we ought not to be ignorant, but perfectly to know, and use our own strength when we have occasion, and especially we must ever be watchful to preserve this strength, lest the subtilty of the Dutch (under some fair shews and with their money) prevail, as peradventure they lately practised in Scotland, to have had a patent for the possessing, inhabiting, and fortifying of that excellent island of Lewis in the Orcades*; whose situation, harbours, fishing, fertility, largeness and other advantages, would have made them able (in short time) to offend these kingdoms by sudden invasions, and to have defended the aforesaid fishing against his majesty's greatest power, and also to send out and return home their shipping prosperously that way, to and from the East and West Indies, Spain, the Straights, and other places, without passing through his majesty's narrow seas, where in all occasions this kingdom now hath so great advantage to take their ships, and prevent their best trades, which would soon bring them to ruine, whereby (as they well know) we have a greater tie and power over them than any other nation.

* The Island of Lewis is one of the Hebrides or Western Islands, 50 miles long and 20 broad.

And howsoever the said island of Lewis might have been obtained in the name of privatemen, and under the fair pretence of bringing commerce into those remote parts of Scotland; yet in the end, when the work had been brought to any good perfection, the possession and power would no doubt have come to the lords, the states general, even as we know they have lately gotten divers places of great strength and wealth in the East Indies, in the names and with the purse of their merchants, whereby also their actions herein have been obscur'd and made less notorious unto the world, untill they had obtained their ends, which are of such consequence, that it doth much concern this nation in particular, carefully to observe their proceedings, for they notoriously follow the steps of that valiant and politic captain, Philip of Macedon, whose maxim

Where force was, that where force could not prevail, yet money prevail, he always used bribes, and money to corrupt those who might advance his fortune; by which policy he gave foundation to a monarchy; and what know we but that the Dutch may aim at some such sovereignty, when they shall find their Indian attempts and other subtil plots succeed so prosperously? do we not see their lands are now become too little to contain this swelling people, whereby their ships

and seas are made the habitations of great multitudes? and yet, to give them further breed, are they not spared from their own wars to enrich the state and themselves by trade and arts? whilst by this policy many thousands of strangers are also drawn thither for performance of their martial employments, whereby the great revenue of their excises is so much the more encreased, and all things so subtilly contrived, that although the foreign soldier be well paid, yet all must be there again expended; and thus the wealth remains still in their own countries; nor are the strangers enriched which do them this great service.

I have heard some Italians wisely and worthily discourse of the natural strength and wealth of England, which they make to be matchless, if we should (but in part) apply ourselves to such policies and endeavours as are very commonly used in some other countries of Europe; and much they have admired, that our thoughts and jealousies attend only upon the Spanish and French greatness, never once suspecting, but constantly embracing the Netherlanders as our best friends and allies; when in truth (as they well observe) there are no people in Christendom who do more undermine, hurt, and eclipse us daily in our navigation and trades, both abroad and at home; and this not only in the

rich fishing in his majesty's seas (whereof we have already written) but also in our inland trades between city and city, in the manufactures of silk, woolls, and the like, made here in this kingdom, wherein they never give employment or education in their arts to the English, but ever (according to the custom of the Jews, where they abide in Turkey, and divers places of Christendom) they live wholly to themselves in their own tribes. So that we may truly say of the Dutch, that although they are amongst us, yet certainly they are not of us, no not they who are born and bred here in our own country, for still they will be Dutch, not having so much as one drop of English blood in their hearts.

More might be written of these Netherlanders pride and ambitious endeavours, whereby they hope in time to grow mighty, if they be not prevented, and much more may be said of their cruel and unjust violence used (especially to their best friends, the English) in matters of blood, trade, and other profits, where they have had advantage and power to perform it: but these things are already published in print to the view and admiration of the world; wherefore I will conclude, and the sum of all is this, that the United Provinces, which now are so great a trouble, if not a terror to the

Spaniard, were heretofore little better than a charge to them in their possession, and would be so again in the like occasion, the reasons whereof I might yet further enlarge; but they are not pertinent to this discourse, more than is already declared, to shew the different effects between natural and artificial wealth: the first of which, as it is most noble and advantagious, being always ready and certain, so doth it make the people careless, proud, and given to all excesses; whereas the second inforceth vigilancy, literature, arts and policy. My wishes therefore are, that as England doth plentifully enjoy the one, and is fully capable of the other, that our endeavours might as worthily conjoin them both together, to the reformation of our vicious idleness, and greater glory of these famous kingdoms.

CHAP. XX.

The order and means whereby we may draw up the ballance of our foreign trade.

NOW, that we have sufficiently proved the ballance of our foreign trade to be the true rule of our treasure; it resteth that we shew by whom and in what manner the said ballance may be drawn up at all times, when it shall please the state to discover how we prosper or decline in this great and weighty business, wherein the

officers of hismajesty's customs are the only agents to be employed, because they have the accounts of all the wares which are issued out or brought into the kingdom; and although (it is true) they cannot exactly set down the cost and charges of other mens goods bought here or beyond the seas; yet nevertheless, if they ground themselves upon the book of rates, they shall be able to make such an estimate as may well satisfy this enquiry: for it is not expected that such an account can possibly be drawn up to a just ballance, it will suffice only that the difference be not over-great.

How we must value our exportations and importations. First therefore, concerning our exportations, when we have valued their first cost, we must add twenty five per cent. thereunto for the charges here, for freight of ships, ensurance of the adventure, and the merchants gains; and for our fishing trades, which pay no custom to his majesty, the value of such exportations may be easily esteem'd by good observations which have been made, and may continually be made, according to the increase or decrease of those affairs, the present estate of this commodity being valued at one hundred and forty thousand pounds issued yearly. Also we must add to our exportations all the monies which are carried out in trade by license from his majesty.

Secondly, for our importations of foreign wares, the custom-books serve only to direct us concerning the quantity, for we must not value them as they are rated here, but as they cost us with all charges laden into our ships beyond the seas, in the respective places where they are bought: for the merchants gain, the charges of Insurance, freight of ships, customs, imposts, and other duties here, which do greatly indear them unto our use and consumption, are notwithstanding but commutations amongst ourselves, for the stranger hath no part thereof: wherefore our said importations ought to be valued at twenty five per cent. less than they are rated to be worth here. And although this may seem to be too great allowance upon many rich commodities, which come but from the Low Countries and other places near hand, yet will it be found reasonable, when we consider it in gross commodities, and upon wares laden in remote countries, as our pepper, which cost us, with charges, but four pence the pound in the East Indies, and it is here rated at twenty pence the pound: so that when all is brought into a medium, the valuation ought to be made as aforewritten. And therefore, the order which hath been used to multiply the full rates upon wares inwards by twenty, would produce a very great error in the ballance, for in this manner the ten

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thousand bags of pepper, which this year we have brought hither from the East Indies, should

The trade to the East Indies is not only great in itself, but it doth also make our other trades much greater than they were. be valued at very near two hundred and fifty thousand pounds, whereas all this pepper in the kingdom's accompt, cost not above fifty thousand pounds, because the Indians have had no more of us, although we paid them extraordinary dear

prices for the same. All the other charges (as I have said before) is but a change of effects amongst ourselves, and from the subject to the king, which cannot impoverish the commonwealth. But it is true, that whereas nine thousand bags of the said pepper are already shipped out for divers foreign parts; these and all other wares, foreign or domestic, which are thus transported outwards, ought to be cast up by the rates of his majesty's custom-money, multiplied by twenty, or rather by twenty five (as I conceive) which will come nearer the reckoning, when we consider all our trades to bring them into a medium.

Thirdly, we must remember, that all wares exported or imported by strangers (in their shipping) be esteemed by themselves, for what they carry out, the kingdom hath only the first cost and the custom: and what they bring in, we must rate it as it is worth here, the custom, im-

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post, and petty charges only deducted.

Lastly, there must be good notice taken of all the great losses which we receive at sea in our shipping either outward or homeward bound: for the value of the one is to be deducted from our exportations, and the value of the other is to be added to our importations: for to lose and to consume doth produce one and the same reckoning. Likewise if it happen that his majesty doth make over any great sums of money by exchange to maintain a foreign war, where we do not feed and cloth the soldiers, and provide the armies, we must deduct all this charge out of our exportations or add it to our importations; for this expence doth either carry out or hinder the coming in of so much treasure. And here we must remember the great collections of money which are supposed to be made throughout the realm yearly from our recusants by priests and Jesuits, who secretly convey the same unto their colleges, cloysters and nunneries beyond the seas, from whence it never returns to us again in any kind; therefore if this mischief cannot be prevented, yet it must be esteemed and set down as a clear loss to the kingdom, except (to ballance this) we will imagine that as great a value may perhaps come in from foreign princes to their pensioners here for favours or intelligence, which

Two contraries which are both pernicious.

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some states account good policy, to purchase with great liberality; the receipt whereof notwithstanding is plain treachery.

There are yet some other petty things which seem to have reference to this ballance, of which the said officers of his majesty's customs can take no notice, to bring them into the accompt. As namely, the expences of travellers, the gifts to ambassadors and strangers, the fraud of some rich goods not entred into the custom-house, the gain which is made here by strangers by change and re-change, interest of money, enurance upon English mens goods and their lives: which can be little when the charges of their living here is deducted; besides that the very like advantages are as amply ministred unto the English in foreign countries, which doth counterpoize all these things, and therefore they are not considerable in the drawing up of the said ballance.

CHAP. XXI.

The conclusion upon all that hath been said, concerning the exportation or importation of treasure.

THE sum of all that hath been spoken, concerning the enriching of the kingdom, and

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the encrease of our treasure by commerce with strangers, is briefly thus. That it is a certain rule in our foreign trade, in those places where our commodities exported are overballanced in value by foreign wares brought into this realm, there our money is undervalued in exchange; and where the contrary of this is performed, there our money is undervalued. But let the merchants exchange be at a high rate, or at a low rate, or at the *par pro pari*, or put down altogether; let foreign princes enhance their coins, or debase their standards, and let his majesty do the like, or keep them constant as they now stand; let foreign coins pass current here in all payments at higher rates than they are worth at the Mint; let the statute for employments by strangers stand in force or be repealed; let the meer exchanger do his worst; let princes oppress, lawyers extort, usurers bite, prodigals waste, and lastly let merchants carry out what money they shall have occasion to use in traffic. Yet all these actions can work no other effects in the course of trade than is declared in this discourse. For so much treasure only will be brought in or carried out of a commonwealth, as the foreign trade doth over or under ballance in value. And this must come to pass by a necessity beyond all resistance. So that all other courses (which tend not to this end) howsoever they may seem to force money

into a kingdom for a time, yet are they (in the end) not only fruitless but also hurtful : they are like to violent floods which bear down their banks, and suddenly remain dry again for want of waters.

Behold then the true form and worth of foreign trade, which is, the great revenue of the king, the honour of the kingdom, the noble profession of the merchant, the school of our arts, the supply of our wants, the employment of our poor, the improvement of our lands, the nursery of our mariners, the walls of the kingdoms, the means of our treasure, the sinews of our wars, the terror of our enemies. For all which great and weighty reasons, do so many well governed states highly countenance the profession, and carefully cherish the action, not only with policy to encrease it, but also with power to protect it from all foreign injuries: because they know it is a principal in reason of state to maintain and defend that which doth support them and their estates.

F I N I S.