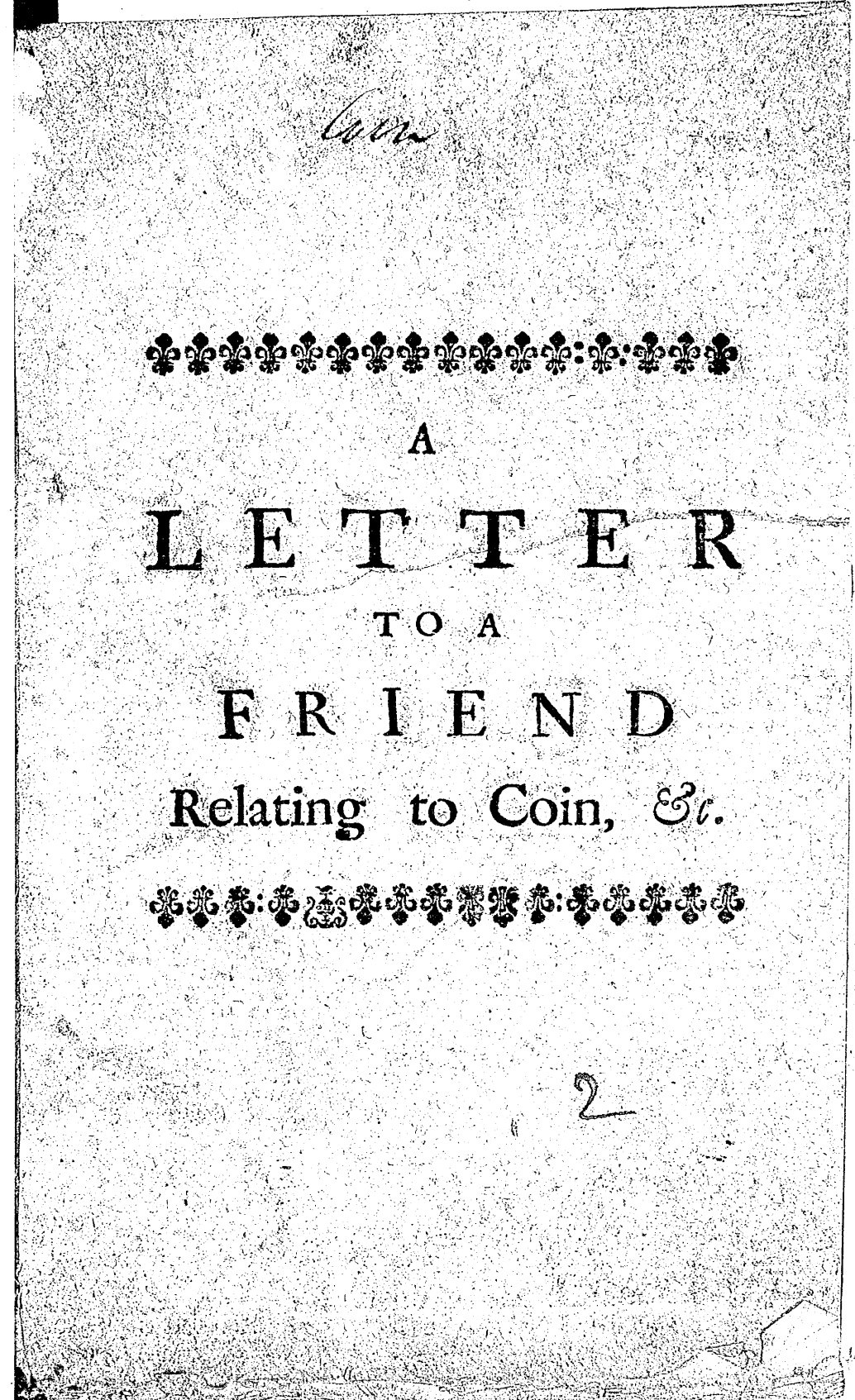


97-6

0210



Wm



A
LETTER
TO A
FRIEND

Relating to Coin, &c.



2

0211

A 8 A

LETTER

TO A

FRIEND,

Occasion'd from what was Published

IN THE

DAILY-COURANT,

ON

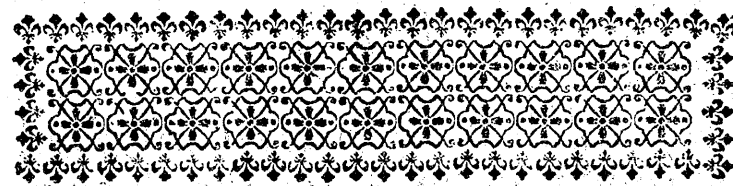
*Monday December 30th 1717, by
Sir Isaac Newton, Relating to
COIN, &c.*

Shewing

That the value of the Gold Coin, ought
not to be less'n'd, but rather the Silver
to be Rais'd.

L O N D O N:

Printed by G. PARKER, and Sold by JOHN
MORPHEW near Stationers-Hall. 1718.
(Price Three-Pence.)



A
LETTER
TO A
FRIEND

Relating to Coyn, &c.

SIR,



According to your Request, when we were last together, I have troubled you with my Thoughts about what hath been said relating to Coyn, &c.

I

[6]

I think the Nation of *England*, is much obliged to the Incomparable *Sir Isaac Newton* for his accurate Proportions betwixt the Gold and Silver Coins &c. of *Europe*, and the *East Indies*: But yet in my mean Opinion his Consequence does not agree with his Premises: For he says in other words, the same as if he had said, that a Crown Piece, is sometimes worth 5 s. 2 d. three Farthings, but when it is so, 'tis paid away for 4 s. 9 d. Farthing, and so should go for no more; now that he says so, I thus prove.

He first allows a Guinea to be worth 21 s. 6 d. and Silver 5 s. 2 d. per Ounce; and then says, that by reason of Exportation, Silver is at a Medium, worth 5 s. 4 d. Half-penny per Ounce, and at that

[7]

that Price, a Guinea is worth but so much Silver, as will make 20 s. 8 d. which I allow, and shall shew you how it is so; not in his Method, but in one (I hope) as plain, *viz.*

Four Ounces of Silver, at 5 s. 2 d. per Ounce, will cost 20 s. 8 d. then you will have 10 d. out of a Guinea; but the same Silver being valued at 5 s. 4 d. Half-penny, the same four Ounces, will then cost 21 shill. 6 d. by which means of over valuing your Silver, you have now lost the 10 d. you had before out of your Guinea, and so, Conformable to what he says, your Guinea is paid away but for 20 s. 8 d. your Silver being esteem'd by *Sir Isaac Newton* to be worth no more,

more, though you give so much more for it.

But for fear the Guinea should be imagined to be the Cause of this, I shall shew you the same thing in the Silver Coin it self, Conformable to what I said before.

An Ounce of Silver, being valued at the Kings Mint, and by Sir *Isaac Newton*, at 5 s. 2 d. per Ounce, then a Crown Piece, and a Silver 2 pence must weigh an Ounce, which, at the time of Exportation, may be said to be worth 5 shillings 4 pence 3 Farthings, though it will go for no more then 5 shillings 2 pence, but if you would buy an Ounce of Silver with that Crown Piece, and Silver 2 pence, you must put 2 pence 3 Farthings more to them

them, to Purchase that Ounce of Silver, which 2 pence 3 Farthings being taken out of your 5 shillings 2 pence, makes your Crown to be paid away for no more then 4 shillings 9 pence Farthing, according to Sir *Isaac Newtons* Argument: And so I hope I have plainly shewed, that there is no difference in this respect, betwixt the Gold, and Silver Coin of this Nation, they being equally affected in this Case; for there is the same 10 pence lost by the over value of the 4 Ounces of Silver in the 21 shillings 6 pence in the Silver Coin, as there is in the 21 shillings 6 pence in the Gold Coin: From whence it will follow, that the Silver ought to be lower'd as well as the Gold, the Reason for
B the

[10]

the one being the same as for the other, but how reasonable that would be, I leave to those who are better Judges than my self.

Yet I shall shew how unreasonable I think it, by making a little Comparison, in which, it will appear, that Gold and Silver, consider'd as Gold and Silver, are no ways different from any other Commodity. Suppose, then that a Bushel of Wheat should be valu'd at 5 shillings, but by reason there is a demand from Abroad, the Price rises to 5 shillings 6 pence, in this Case then, as in the others above; the Crown is paid away but for 4 shillings 6 pence, because 6 pence more must be put to the Crown, to buy the same Bushell of Wheat,
and

[11]

and if for this Cause, our Crown should be order'd to pass but for 4 shillings 6 pence, then we pay the same extravagant Price, for all the Commodities in the Nation, that we do for the Wheat, which is only occasioned by the demand, for that single Commodity.

I presume from what hath been said, 'tis very apparent, that all the Inconvenience we labour under in this Affair, proceeds from the Silver Coin of this Nation, as is evident from what *Sir J. N.* says.

For by his Calculation, there is but one Half-penny difference, in 4 Ounces of Silver, betwixt the Price of Silver in *Holland*, and Forreign Silver in *England*, which difference is very small, but betwixt that same Silver in *England*,

and the Coin of the Nation, there is 10 pence difference as aforesaid, which is a great deal; and I think the sole Cause of all our Inconvenience, which though very great, yet might easily be Remedied; the Cure depending upon nothing but a Name, which I thus prove.

It being urged, that a Guinea was Coin'd for 20 shillings, and therefore ought to pass for no more. In that case, a Guinea and 8 pence will purchase 4 Ounces of Silver at 5 shillings 2 pence *per Ounce*; but this Price of 5 shillings 2 pence, being allow'd to be too little, and the cause why our Silver Coin is sent A-broad, and no Forreign Silver brought to be Coin'd, it might be advisable to raise the Silver
Coin

Coin at least equal to the price of Forreign Silver: But if it should be rais'd to 5 shillings 6 pence halfpenny *per Ounce*, and the Guinea continu'd at the Price it hath pass'd at for above this Forty Years, *viz.* 21 shillings 6 pence, then you will buy the same Silver for the same Money you did in the other Case; for then 4 Ounces of Silver, will cost 22 shillings 2 pence, which a Guinea at 21 shillings 6 pence, and 8 pence will pay for, as it did in the other Case, so that you see 'tis only the Name, whether you will call it 5 shillings 2 pence, or 5 shillings 6 pence half penny *per Ounce*.

But to set this in a clearer Light; do you think, that if his Majesty, had order'd Crown Pieces, to pass for 5 shillings three
half-

half-pence, we should not have seen more of them (at this time of our Necessity) then we now do? Yes certainly, the profit of three Half-pence in the Crown, would soon have broken up all the Hoards, and yet with respect to the Guinea, is the very same thing as making it to pass but for 21 shillings, tho' it remain'd Current at 21 shillings 6 pence, for then 4 Crowns at 5 shillings 3 Half-pence, and a shilling, would purchase a Guinea at 21 shillings 6 pence, and now 4 Crowns and a shilling do purchase a Guinea at 21 shillings, so you see still 'tis but a Name, yet I presume there would be a vast difference in the Choice, from what has been said above.

But

But some may Object, that if this should be put in Practice, we should not receive so much Silver for Twenty shillings as we do now, and so, the Subject must be wrong'd of what is wanting. I allow the former, but not the latter: For though the same Weight be not receiv'd, yet the same Value will. I presume no Body can deny, but that an Ounce of Silver is as well worth 5 shillings 2 pence now, as it was once worth Twenty pence, that being the value which History reports it pass'd at; if that price had remain'd till now, we should have receiv'd 3 Ounces 2 Pennyweight of Silver, for our 5 shillings 2 pence, whereas now we receive but one Ounce, yet since that one Ounce, is as well worth

(16)

worth 5 shillings 2 pence as the other 3 Ounces would have been, pray who is hurt by this Method of Proceeding.

I shall not trouble you with the fundry Steps by which means Silver hath risen from 20 pence the Ounce, to the Price 'tis now worth, it being at so vast a distance, yet I will shew you something of the like Nature in Gold, because that comes nearer to our own Observation. Queen *Elizabeth* Coin'd 2 Twenty shilling Pieces in her Reign, the first weigh'd something better then 8 penny-wt. (the Grains I am not positive of, but I believe about 3 gr.) but the value of Gold increasing, she Coins her second Piece so much lighter as the Gold was advanc'd in Price, and
so

[17]

so that Piece weigh'd 6 penny-weight 9 gr. King *James* I. Coin'd a Piece of the same wt. which we call a *Jacobus*, but Gold rising again in his Reign, he Coins a second Piece, so much lighter still as the Gold was rais'd, according to the Method of Queen *Elizabeth*, and that Piece weigh'd 5 penny-wt. 21 gr., and because it should go for 20 shillings, he order'd XX to be put upon it to denote the value it shou'd pass at. This Species remain'd till K. *Charles* II. when Gold had again risen, and then he Coins our *Guinea* for 20 shillings, but so much lighter as it was risen, so that Piece weighs now 5 penny-weight 9 gr. And if King *George* had thought it necessary, to have imitated his Predecessors in this
C Matter,

[18]

Matter, then his 20 shilling Piece would have weigh'd 5 penny-wt. which 5 penny-wt. is as well worth 20 shillings now, as Queen Elizabeths 7 penny-wt. was then: If this valuation of the Gold, should be said to be the Cause we abound with it, then we might expect to reap the same Benefit, from a like valuation of the Silver, but if the low valuation of our Silver in the Coin, is the Cause why little of it will stay with us, the like must happen to us in the Gold, when we have prepared the same Pit (by lowering it) for it to fall into.

I think *Sir J. N.* is of this Opinion, when he says, that one penny profit upon a Lewidor in *England*, brought 1400,000 *l.* value,

(19)

lue, to be Coin'd into *English* Guineas: How many Millions then of *English* Guineas, must go into *Spain*, where he saith they are now worth 22 shillings 1 penny, which is now 13 pence more then they are worth here? And how many more must go, if they should be reduc'd still lower, not only thither but into other Countries?

As to *Sir J. Newtons* Proposition about Coining the Plate of the Nation, I think his Majesty may buy Silver much Cheaper, for the price of the Plate is 5 shillings 8 pence per Ounce, and should be 2 pence per Ounce better then the Coin, which if it is, it will be worth but 5 shillings 4 pence per Ounce to the King, but

(20)

but then there being 3 pence *per* Ounce allow'd for fauder, yet some Plate having but little, I'll allow but 2 pence *per* Ounce, then the Silver will be worth but 5 shillings 2 pence *per* Ounce, but then the Fashion is still to be paid for, (not to mention any thing of a Præmium, as an inducement to bring it into the Mint) which Fashion is from 6 pence, to 2 shillings 6 pence *per* Ounce, so if 12 pence *per* Ounce be supposed to be allow'd for one with another, it will make the Silver worth but 4 shillings 2 pence *per* Ounce, so that his Majesty will lose 1 shilling 6 pence by every Ounce of Plate so Coin'd. Now *Sir J. Newton* says, that the Price of Forreign Bullion

(21)

Bullion is 5 shillings 4 pence half-penny *per* Ounce, which if he had advised his Majesty to Coin, he could not have lost above 2 *d.* half-penny *per* Ounce by it, that Silver being as good, or rather better then our Coin, now I leave you to Judge, which Market will be the Cheaper.

I shall Conclude with this Remark: That we have two sorts of Coin in *England*, viz. Gold and Silver, the one is Plenty, the other Scarce, the reason of the Plenty of Gold Coin, is because the King allows the value of the Gold, in the Gold Coin: And the scarcity of the Silver Coin, is, because he does not allow the value of the Silver in the Silver Coin, as is manifest from what follows. The usual

(22)

usual Prices of Gold, is from 3 *l.* 19 *s.* 6 *d.* to 4 *l.* 1 *s.* per Ounce: I have known it at 4 *l.* 2 *s.* 6 *d.* but the Kings Price at the Mint being 4 *l.* per Ounce, is about a Medium, so tho' it be sometimes above, yet it is often at or under 4 *l.* and then Guineas are Coin'd, but never when Gold is above 4 *l.* per Ounce.

Now the usual Prices of Silver are from 5 *s.* 3 *d.* to 5 *s.* 6 *d.* or 8 *d.* per Ounce, and the Kings price at the Mint being but 5 *s.* 2 *d.* it is impossible any Silver shou'd be Coin'd so long as the Common Market is above the Price at the Mint.

The Remedy therefore is plain, which if put in Execution might

[23]

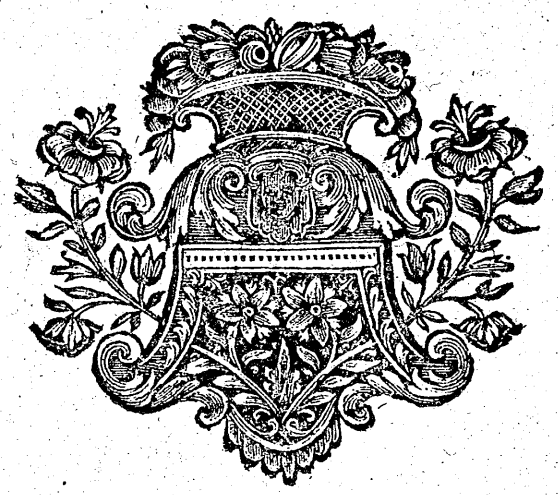
might soon prove it self in the one, as well as the other.

I am

Your Humble

Servant

S. Ph.



Note, in page 16 in some of the Copies, at line 16, for 8, read 7 penny-w:

0222

