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CONSEQUENCES OF
THE LOWERING OF INTEREST
AND
RAISING THE VALUE OF MONEY.

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BY
JOHN LOCKE.

WARD, LOCK AND CO.
LONDON, NEW YORK, AND MELBOURNE.



CONSEQUENCES OF THE LOWERING OF INTEREST,
AND
RAISING THE VALUE OF MONEY.

SIR,—THESE notions concerning coinage having, for the main, as you know, been put into writing, above twelve months since; as those other, concerning interest, a great deal above so many years; I put them now again into your hands, with a liberty (since you will have it so) to communicate them farther, as you please. If, upon a review, you continue your favourable opinion of them, and nothing less than publishing will satisfy you, I must desire you to remember, that you must be answerable to the world for the style, which is such as a man writes carelessly to his friend, when he seeks truth, not ornament; and studies only to be in the right, and to be understood. I have, since you saw them last year, met with some new objections in print, which I have endeavoured to remove; and particularly I have taken into consideration a printed sheet, entitled, 'Remarks upon a paper given in to the lords, &c.' Because one may naturally suppose, that he, that was so much a patron of that cause, would admit nothing, that could be said in favour of it. To this I must here add, That I am just now told from Holland, 'That the States, finding themselves abused, by coining a vast quantity of their base [Schillings] money, made of their own Ducatoons, and other finer silver, melted down, have put a stop to the minting of any but fine silver coin, till they should settle their mint upon a new foot.'

I know the sincere love and concern you have for your country, puts you constantly upon casting about, on all hands, for any means to serve it; and will not suffer you to overlook anything you conceive, may be of any the least use, though offered you from the meanest capacities: you could not else have put me upon looking out my old papers, concerning the reducing of interest to 4 per cent. which have so long lain by, forgotten. Upon this new survey of them, I find not my thoughts now to differ from those I had near twenty years since: they have to me still the appearance of truth; nor should I otherwise venture them so much as to your sight. If my notions are wrong, my intention I am sure is right; and whatever I have failed in, I shall at least let you see with what obedience I am,

SIR,

Your most humble servant,
JOHN LOCKE.

Nov. 7, 1691.

SIR,—I HAVE so little concern in paying or receiving of 'interest,' that were I in no more danger to be misled by inability and ignorance, than I am to be biassed by interest and inclination, I might hope to give you a very perfect and clear account, of the consequences of a law to reduce interest to four per cent. But, since you are pleased to ask my opinion, I shall endeavour fairly to state this matter of use, with the best of my skill.

The first thing to be considered is, 'Whether the price of the hire of money can be regulated by law?' And to that I think, generally speaking, one may say, it is manifest it cannot. For since it is impossible to make a law, that shall hinder a man from giving away his money, or estate to whom he pleases, it will be impossible, by any contrivance of law, to hinder men, skilled in the power they have, over their own goods, and the ways of conveying them to others, to purchase money to be lent them, at what rate soever their occasions shall make it necessary for them to have it. For it is to be remembered, that no man borrows money, or pays use, out of mere pleasure: it is the want of money drives men to that trouble and charge of borrowing; and proportionably to this want, so will every one have it, whatever price it cost him. Wherein the skilful, I say, will always so manage it, as to avoid the prohibition of your law, and keep out of its penalty, do what you can. What then will be the unavoidable consequences of such a law?

1. It will make the difficulty of borrowing and lending much greater; whereby trade (the foundation of riches) will be obstructed.

2. It will be a prejudice to none, but those who most need assistance and help; I mean widows and orphans, and others uninstructed in the arts and management of more skilful men; whose estates lying in money, they will be sure, especially orphans, to have no more profit of their money, than what interest the law barely allows.

3. It will mightily increase the advantage of bankers and scriveners, and other such expert brokers; who skilled in the arts of putting out money, according to the true and natural value, which the present state of trade, money, and debts, shall always raise interest to; they will infallibly get what the true value of interest shall be above the legal. For, men finding the convenience of lodging their money in hands, where they can be sure of it, at short warning, the ignorant and lazy will be forwardest to put it into these men's hands, who are known, willingly to receive it, and where they can readily have the whole, or part, upon any sudden occasion, that may call for it.

4. I fear, I may reckon it as one of the probable consequences of such a law, that it is likely to cause great perjury in the nation; a crime, than which nothing is more carefully to be prevented by law-makers, not only by penalties, that shall attend apparent and proved

perjury, but by avoiding and lessening, as much as may be, the temptations to it. For where those are strong, (as they are, where men shall swear for their own advantage) there the fear of penalties to follow, will have little restraint, especially if the crime be hard to be proved. All which, I suppose, will happen in this case, where ways will be found out to receive money upon other pretences than for use, to evade the rule and rigor of the law : and there will be secret trusts and collusions amongst men, that though they may be suspected, can never be proved, without their own confession. I have heard very sober and observing persons complain of the danger men's lives and properties are in, by the frequency and fashionableness of perjury amongst us. Faith and truth, especially in all occasions of attesting it, upon the solemn appeal to heaven by an oath, is the great bond of society : this it becomes the wisdom of magistrates carefully to support, and render as sacred and awful, in the minds of the people, as they can. But, if ever frequency of oaths shall make them be looked on as formalities of law, or the custom of straining of truth, (which men's swearing in their own cases is apt to lead them to) has once dipped men in perjury, and the guilt, with the temptation, has spread itself very wide, and made it almost fashionable in some cases ; it will be impossible for the society (these bonds being dissolved) to subsist. All must break in pieces, and run to confusion. That swearing in their own cases is apt by degrees to lead men into as little regard of such oaths, as they have of their ordinary talk, I think there is reason to suspect, from what has been observed, in something of that kind. Masters of ships are a sort of men generally industrious and sober, and I suppose may be thought, for their number and rank, to be equally honest to any other sort of men ; and yet, by the discourse I have had with merchants in other countries, I find that they think, in those parts, they take a great liberty in their custom-house oaths, to that degree, that I remember I was once told, in a trading town beyond sea, of a master of a vessel, there esteemed a sober and fair man, who yet could not hold saying "God forbid that a custom-house oath should be a sin." I say not this to make any reflection upon a sort of men, that I think as uncorrupt as any other ; and who, I am sure, ought in England to be cherished and esteemed, as the most industrious and most beneficial of any of its subjects : but I could not forbear to give this here, as an instance how dangerous a temptation it is, to bring men customarily to swear, where they may have any concernment of their own. And it will always be worthy the care and consideration of lawmakers, to keep up the opinion of an oath, high and sacred, as it ought to be, in the minds of the people : which can never be done, where frequency of oaths, biassed by interest, has established a neglect of them ; and fashion (which it seldom fails to do) has given countenance to what profit rewards.

But that law cannot keep men from taking more use, than you see (the want of money being that alone which regulates its price) will perhaps appear, if we consider how hard it is to set a price upon wine, or silks, or other unnecessary commodities; but how impossible it is to set a rate upon victuals, in a time of famine. For, money being an universal commodity, and as necessary to trade as food is to life, every body must have it, at what rate they can get it; and unavoidably pay dear, when it is scarce; and debts, no less than trade, have made borrowing in fashion. The bankers are a clear instance of this: for some years since, the scarcity of money having made it in England worth really more than six per cent. most of those that had not the skill to let it for more than six per cent. and secure themselves from the penalty of the law, put it in the bankers' hands, where it was ready at their call, when they had an opportunity of greater improvement. So that the rate you set, profits not the lenders, and very few of the borrowers who are fain to pay the price for money, that commodity would bear, were it left free; and the gain is only to the banker. And should you lessen the use to four per cent. the merchant or tradesman that borrows, would not have it one jot cheaper than he has now; but probably these two ill effects would follow: 1. That he would pay dearer; and, 2. That there would be less money left in the country, to drive the trade. For the bankers, paying at most but four per cent. and receiving from six to ten per cent. or more, at that low rate could be content to have more money lie dead by them, than now, when it is higher; by which means there would be less money stirring in trade, and a greater scarcity; which would raise it upon the borrower, by this monopoly. And what a part of our treasure their skill and management, joined with others' laziness, or want of skill, is apt to draw into their hands, is to be known by those vast sums of money, they were found to owe, at shutting up of the Exchequer: and though it be very true, yet it is almost beyond belief, that one private goldsmith of London should have credit, upon his single security, (being usually nothing but a note, under one of his servant's hands) for above £1,100,000 at once. The same reasons, I suppose, will still keep on the same trade; and, when you have taken it down by law, to that rate, no body will think of having more than four per cent. of the banker; though those, who have need of money, to employ it in trade, will not then, any more than now, get it under five or six; or, as some pay, seven or eight. And if they had then, when the law permitted men to make more profit of their money, so large a proportion of the cash of the nation in their hands, who can think, but that, by this law, it should be more driven into Lombard-street now? there being many now, who lend them at four or five per cent. who would not lend to others at six. It would therefore, perhaps, bring down the rate of money to the borrower, and certainly distribute it better to the advantage of trade in the country, if the legal use were kept pretty near to the natural; (by natural use, I mean that of rate of

money, which the present scarcity of it makes it naturally at, upon an equal distribution of it) for then men, being licensed by the law to take near the full natural use, will not be forward to carry it to London, to put it into the banker's hands; but will lend it to their neighbours in the country, where it is convenient for trade it should be. But, if you lessen the rate of use, the lender, whose interest it is to keep up the rate of money, will rather lend it to the banker, at the legal interest, than to the tradesman, or gentleman, who, when the law is broken, shall be sure to pay the full natural interest, or more; because of the ingrossing by the banker, as well as the risque in transgressing the law: whereas, were the natural use, suppose seven per cent. and the legal six; first, the owner would not venture the penalty of the law, for the gaining one in seven, that being the utmost his money would yield; nor would the banker venture to borrow, where his gains would be but one per cent. nor the moneyed man lend him, what he could make better profit of legally, at home. All the danger lies in this, that your trade should suffer, if your being behind-hand has made the natural use so high, that your tradesman cannot live upon his labour, but that your rich neighbours will so undersell you, that the return you make, will not amount to pay the use, and afford a livelihood. There is no way to recover from this, but by a general frugality and industry; or by being masters of the trade of some commodity, which the world must yet have from you at your rate, because it cannot be otherwise supplied.

Now, I think, the natural interest of money is raised two ways: first, when the money of a country is but little, in proportion to the debts of the inhabitants, one amongst other. For, suppose £10,000 were sufficient to manage the trade of Bermudas, and that the ten first planters carried over £20,000, which they lent to the several tradesmen and inhabitants of the country, who living above their gains, had spent £10,000 of this money, and it were gone out of the island; it is evident, that, should all the creditors at once call in their money, there would be a great scarcity of money, when that, employed in trade, must be taken out of the tradesmen's hands to pay debts; or else the debtors want money, and be exposed to their creditors, and so interest will be high. But this seldom happening, that all, or the greatest part, of the creditors do at once call for their money, unless it be in some great and general danger, is less and seldomer felt than the following, unless where the debts of the people are grown to a greater proportion; for that, constantly causing more borrowers than there can be lenders, will make money scarce, and consequently interest high. Secondly, that, which constantly raises the natural interest of money, is, when money is little, in proportion to the trade of a country. For in trade every body calls for money, according as he wants it, and this disproportion is always felt. For, if Englishmen owed in all but one

million, and there were a million of money in England, the money would be well enough proportioned to the debts : but, if two millions were necessary to carry on the trade, there would be a million wanting, and the price of money would be raised, as it is of any other commodity in a market, where the merchandize will not serve half the customers, and there are two buyers for one seller.

It is in vain, therefore, to go about effectually to reduce the price of interest by a law ; and you may as rationally hope to set a fixed rate upon the hire of houses, or ships, as of money. He that wants a vessel rather than lose his market, will not stick to have it at the market-rate, and find ways to do it with security to the owner, though the rate were limited by law : and, he that wants money, rather than lose his voyage, or his trade, will pay the natural interest for it ; and submit to such ways of conveyance, as shall keep the lender out of the reach of the law. So that your act, at best, will serve only to increase the arts of lending, but not at all lessen the charge of the borrower : he, it is likely, shall, with more trouble, and going farther about, pay also the more for his money ; unless you intend to break in, only upon mortgages and contracts already made, and (which is not to be supposed) by a law, *post factum*, void bargains lawfully made, and give to Richard what is Peter's due, for no other reason, but because one was borrower, and the other lender.

But, supposing the law reached the intention of the promoters of it ; and that this act be so contrived, that it fixed the natural price of money, and hindered its being, by any body, lent at a higher use than four per cent. which is plain it cannot : let us, in the next place, see what will be the consequences of it.

1. It will be a loss to widows, orphans, and all those, who have their estates in money, one third of their estates ; which will be a very hard case upon a great number of people : and it is warily to be considered, by the wisdom of the nation, whether they will thus, at one blow, fine and impoverish a great and innocent part of the people, who having their estates in money, have as much right to make as much of the money as it is worth (for more they cannot), as the landlord has let his land for as much as it will yield. To fine men one third of their estates, without any crime, or offence committed, seems very hard.

2. As it will be a considerable loss and injury to the moneyed man, so it will be no advantage at all to the kingdom. For, so trade be not cramped, and exportation of our native commodities and manufactures not hindered, it will be no matter to the kingdom, who amongst ourselves gets or loses : only common charity teaches, that those should be most taken care of by the law, who are least capable of taking care for themselves.

3. It will be a gain to the borrowing merchant. For if he borrow at four per cent. and his returns be twelve per cent. he will have eight

per cent. and the lender four : whereas now they divide the profit equally at six per cent. But this neither gets, nor loses, to the kingdom, in your trade, supposing the merchant and lender to be both Englishmen : only it will, as I have said, transfer a third part of the moneyed man's estate, who had nothing else to live on, into the merchant's pocket ; and that without any merit in the one, or transgression in the other. Private men's interests ought not thus to be neglected, nor sacrificed to any thing, but the manifest advantage of the publick. But, in this case, it will be quite the contrary. This loss to the moneyed man will be a prejudice to trade : since it will discourage lending at such a disproportion of profit, to risque ; as we shall see more by and by, when we come to consider of what consequence it is to encourage lending, that so none of the money of the nation may lie dead, and thereby prejudice trade.

4. It will hinder trade. For, there being a certain proportion of money, necessary for driving such a proportion of trade, so much money of this as lies still, lessens so much of the trade. Now it cannot be rationally expected, but that, where the venture is great, and the gains small (as it is in lending in England, upon low interest), many will chuse rather to hoard up their money than venture it abroad on such terms. This will be a loss to the kingdom, and such a loss as, here in England, ought chiefly to be looked after : for, we having no mines, nor any other way of getting, or keeping of riches amongst us, but by trade ; so much of our trade as is lost, so much of our riches must necessarily go with it ; and the over-balancing of trade, between us and our neighbours, must inevitably carry away our money ; and quickly leave us poor, and exposed. Gold and silver, though they serve for few, yet they command all the conveniences of life, and therefore in a plenty of them consists riches.

Every one knows that mines alone furnish these : but withal it is observable, that most countries, stored with them by nature, are poor. The digging and refining of these metals taking up the labour, and wasting the number of the people. For which reason the wise policy of the Chinese will not suffer the mines they have to be wrought. Nor indeed, things rightly considered, do gold and silver, drawn out of the mine, equally enrich, with what is got by trade. He that would make the lighter scale preponderate to the opposite, will not so soon do it, by adding increase of new weight to the emptier, as if he took out of the heavier what he adds to the lighter, for then half so much will do it. Riches do not consist in having more gold and silver, but in having more in proportion than the rest of the world, or than our neighbours, whereby we are enabled to procure to ourselves a greater plenty of the conveniences of life, than comes within the reach of neighbouring kingdoms and states, who, sharing the gold and silver of the world in a less proportion, want the means of plenty and power,

and so are poorer. Nor would they be one jot the richer, if, by the discovery of new mines, the quantity of gold and silver in the world becoming twice as much as it is, their shares of them should be doubled. By gold and silver in the world, I must be understood to mean, not what lies hid in the earth, but what is already out of the mine, in the hands and possessions of men. This, if well considered, would be no small encouragement to trade, which is a surer and shorter way to riches, than any other, where it is managed with skill and industry.

In a country not furnished with mines, there are but two ways of growing rich, either conquest, or commerce. By the first the Romans made themselves masters of the riches of the world; but I think that, in our present circumstances, nobody is vain enough to entertain a thought of our reaping the profits of the world with our swords, and making the spoil and tribute of vanquished nations, the fund for the supply of the charges of the government, with an overplus for the wants, and equally craving luxury, and fashionable vanity of the people.

Commerce, therefore, is the only way left to us, either for riches, or subsistence: for this the advantages of our situation, as well as the industry and inclination of our people, bold and skilful at sea, do naturally fit us: by this the nation of England has been hitherto supported, and trade left almost to itself, and assisted only by the natural advantages above-mentioned, brought us in plenty and riches, and always set this kingdom in a rank equal, if not superior, to any of its neighbours; and would, no doubt, without any difficulty, have continued it so, if the more enlarged, and better understood interest of trade, since the improvement of navigation, had not raised us many rivals; and the amazing politics of some late reigns, let in other competitors with us for the sea, who will be sure to seize to themselves whatever parts of trade, our mismanagement, or want of money, shall let slip out of our hands; and when it is once lost, it will be too late to hope, by a mistimed care, easily to retrieve it again. For the currents of trade, like those of waters, make themselves channels, out of which they are afterwards as hard to be diverted, as rivers that have worn themselves deep within their banks.

Trade, then, is necessary to the producing of riches, and money necessary to the carrying on of trade. This is principally to be looked after, and taken care of; for if this be neglected, we shall, in vain, by contrivances amongst ourselves, and shuffling the little money we have, from one another's hands, endeavour to prevent our wants: decay of trade will quickly waste all the remainder; and then the landed man, who thinks, perhaps, by the fall of interest to raise the value of his land, will find himself cruelly mistaken, when, the money being gone, (as it will be, if our trade be not kept up,) he can get neither farmer to rent, nor purchaser to buy his land. Whatsoever,

therefore, hinders the lending of money, injures trade; and so the reducing of money to four per cent., which will discourage men from lending, will be a loss to the kingdom, in stopping so much of the current of money, which turns the wheels of trade. But all this upon a supposition that the lender and borrower are both Englishmen.

If the lender be a foreigner, by lessening interest from six to four, you get to the kingdom one third part of the interest we pay yearly to foreigners: which let any one, if he please, think considerable. But then, upon lessening interest to four per cent. it is likely one of these things will happen: that either you fall the price of your native commodities, or lessen your trade, or else prevent not the high use, as you intended. For, at the time of lessening your interest, you want money for your trade, or you do not. If you do not, there is no need to prevent borrowing at a high rate of your neighbours. For no country borrows of its neighbours, but where there is need of money for trade: nobody will borrow more of a foreigner to let it lie still. And, if you do want money, necessity will still make you borrow where you can, and at the rates your necessity, not your laws, shall set: or else, if there be a scarcity of money, it must hinder the merchant's buying and exportation, and the artisan's manufacture. Now the kingdom gets, or loses by this (for no question the merchant, by low interest, gets all the while) only proportionably (allowing the consumption of foreign commodities to be still the same) as the paying of use to foreigners carries away more, or less, of our money, than want of money, and stopping our trade keeps us from bringing in, by hindering our gains, which can be only estimated by those, who know how much money we borrow of foreigners, and at what rate; and, too, what profit in trade we make of that money.

Borrowing of foreigners upon interest, it is true, carries away some of our gain: but yet, upon examination it will be found, that our growing rich, or poor, depends not at all upon our borrowing upon interest, or not; but only, which is greater or less, our importation, or exportation of consumable commodities. For, supposing two millions of money will drive the trade of England, and that we have money enough of our own to do it; if we consume of our own product and manufacture, and what we purchase by it of foreign commodities, one million, but of the other million consume nothing, but make a return of ten per cent. per annum, we must then every year be £100,000 richer, and our stock be so much increased: but, if we import more consumable commodities, than we export, our money must go out to pay for them, and we grow poorer. Suppose, therefore, ill husbandry hath brought us to one million stock, and we borrow the other million (as we must, or lose half our trade) at six per cent. If we consume one moiety, and make still ten per cent. per annum return of the other million, the kingdom gets £40,000 per annum, though it pay £60,000 per annum use. So

that, if the merchant's return be more than his use, (which it is certain it is, or else he will not trade) and all that is so traded for, on borrowed money, be but the over-balance of our exportation to our importation; the kingdom gets, by this borrowing, so much as the merchant's gain is above his use. But, if we borrow only for our own expenses, we grow doubly poor, by paying money for the commodity we consume, and use for that money; though the merchant gets all this while, by making returns greater than his use. And therefore, borrowing of foreigners, in itself, makes not the kingdom rich, or poor; for it may do either: but spending more than our fruits, or manufactures will pay for, brings in poverty, and poverty borrowing.

For money as necessary to trade, may be doubly considered. 1. As in his hands that pays the labourer and landholder, (for here its motion terminates, and through whose hands soever it passes between these, he is but a broker) and if this man want money (as for example, the clothier) the manufacture is not made; and so the trade stops, and is lost. Or, 2. Money may be considered as in the hands of the consumer, under which name I here reckon the merchant who buys the commodity, when made to export, and if he want money the value of the commodity made, is lessened, and so the kingdom loses in the price. If therefore, use be lessened, and you cannot tie foreigners to your terms, then the ill effects fall only upon your landholders and artisans; if foreigners can be forced, by your law, to lend you money, only at your own rate, or not lend at all, is it not more likely they will rather take it home, and think it safer in their own country at four per cent. than abroad, in a decaying country? Nor can their overplus of money bring them to lend to you, on your terms: for, when your merchants' want of money shall have sunk the price of your market, a Dutchman will find it more gains, to buy your commodity himself, than lend his money at four per cent. to an English merchant to trade with. Nor will the act of navigation hinder their coming, by making them come empty, since even already there are those who think, that many, who go for English merchants, are but Dutch factors, and trade for others in their own names. The kingdom, therefore, will lose by this lowering of interest, if it makes foreigners withdraw any of their money, as well as if it hinders any of your people from lending theirs, where trade has need of it.

In a treatise, writ on purpose for the bringing down of interest, I find this argument, of foreigners calling away their money, to the prejudice of our trade, thus answered. 'That the money of foreigners, is not brought into the land by ready coin, or bullion, but by goods, or bills of exchange, and, when it is paid, must be returned by goods, or bills of exchange; and there will not be the less money in the land.' I could not but wonder to see a man, who undertook to write of money and interest, talk so directly beside the matter, in the business of trade.

'Foreigner's money,' he says, 'is not brought into the land by ready coin, or bullion, but by goods, or bills of exchange.' How then do we come by bullion, or money? For gold grows not, that I know, in our country, and silver so little, that one hundred thousandth part of the silver we have now in England, was not drawn out of any mines in this island. If he means that the monied man in Holland, who puts out his money at interest here, did not send it over in bullion, or specie hither: that may be true, or false: but either way helps not that author's purpose. For, if he paid his money to a merchant, his neighbour, and took his bills for it here in England, he did the same thing, as if he had sent over that money; since he does but make that merchant leave in England the money, which he has due to him there, and otherwise would carry away. 'No,' says our author, 'he cannot carry it away; for,' says he, 'when it is paid, it must be returned by goods, or bills of exchange.' It must not be paid and exported in ready money, so says our law indeed, but that is a law to hedge in the cuckoo, and serves to no purpose. For, if we export not goods, for which our merchants have money due to them in Holland, how can it be paid by bills of exchange? And for goods, £100 worth of goods can no where pay £200 in money. This being that which I find many men deceive themselves with, in trade, it may be worth while to make it a little plainer.

Let us suppose England peopled, as it is now; and its woollen manufacture in the same state and perfection, that it is at present; and that we, having no money at all, trade with this our woollen manufacture, for the value of £200,000 yearly to Spain, where there actually is a million in money: farther, let us suppose that we bring back from Spain yearly in oil, wine, and fruit, to the value of £100,000, and continue to do so this ten years together: it is plain that we have had for our two millions value in woollen manufacture, carried thither, one million returned in wine, oil, and fruit: but what is become of the other million? Will the merchants be content to lose it? That you may be sure they would not, nor have traded on, if they had not, every year, returns made, answering their exportation. How then were the returns made? In money it is evident. For the Spaniards having, in such a trade, no debts, nor the possibility of any debts in England, cannot pay one farthing of that other million, by bills of exchange: and having no commodities, that we will take off, above the value of £100,000 per annum, they cannot pay us in commodities. From whence it necessarily follows, that the £100,000 per annum, wherein we over-balance them in trade, must be paid us in money; and so, at the ten years end, their million of money, (though their law make it death to export it) will be all brought into England; as, in truth by this over-balance of trade, the greatest part of our money hath been brought into England, out of Spain.

Let us suppose ourselves now possessed of this million of money ; and exporting yearly out of England, to the several parts of the world, consumable commodities, to the value of a million, but importing yearly in commodities, which we consume amongst us, to the value of £1,100,000. If such a trade as this be managed amongst us, and continue ten years, it is evident, that our million of money will at the end of the ten years, be inevitably all gone from us to them, by the same way that it came to us ; that is, by their over-balance of trade : for we, importing every year £100,000 worth of commodities, more than we export, and there being no foreigners that will give us £100,000 every year for nothing, it is unavoidable, that £100,000 of our money must go out every year, to pay for that over-plus, which our commodities do not pay for. It is ridiculous to say, that bills of exchange shall pay our debts abroad : that cannot be, till scrips of paper can be made current coin. The English merchant who has no money owing him abroad, cannot expect to have his bills paid there. Or, if he has credit enough with a correspondent, to have his bills answered ; this pays none of the debt of England, but only changes the creditor. And if, upon the general balance of trade, English merchants owe to foreigners £100,000, or a million ; if commodities do not, our money must go out to pay it, or else our credit be lost, and our trade stop, and be lost too.

A kingdom grows rich, or poor, just as a farmer doth, and no otherwise. Let us suppose the whole island of Portland one farm ; and that the owner besides what serves his family, carries to market to Weymouth and Dorchester, &c. cattle, corn, butter, cheese, wool or cloth, lead and tin, all commodities, produced and wrought within his farm of Portland, to the value of £1000 yearly ; and for this brings home in salt, wine, oil, spice, linen, and silks, to the value of £900, and the remaining £100 in money. It is evident he grows every year £100 richer, and so at the end of ten years will have clearly got £1000. If the owner be a better husband, and contenting himself with his native commodities, buy less wine, spice, and silk, at market, and so bring home £500 in money yearly, instead of £1000 ; at the end of ten years, he will have £5000 by him, and be so much richer. He dies, and his son succeeds, a fashionable young gentleman, that cannot dine without champagne and Burgundy, nor sleep but in a damask bed ; whose wife must spread a long train of brocard, and his children be always in the newest French cut and stuff. He, being come to the estate, keeps on a very busy family ; the markets are weekly frequented, and the commodities of his farm carried out, and sold, as formerly, but the returns are made something different ; the fashionable way of eating, drinking, furniture, and clothing, for himself and family, requires more sugar and spice, wine and fruit, silk and ribbons, than in his father's time ; so that instead of £900 per annum, he now brings home of consumable commodities, to the value of £1100 yearly. What comes

of this? He lives in splendour, it is true, but this unavoidably carries away the money his father got, and he is every year £100 poorer. To his expences, beyond his income, add debauchery, idleness, and quarrels amongst his servants, whereby his manufactures are disturbed, and his business neglected, and a general disorder and confusion through his whole family and farm: this will tumble him down the hill the faster, and the stock, which the industry, frugality, and good order of his father had laid up, will be quickly brought to an end, and he fast in prison. A farm and a kingdom in this respect differ no more, than as greater or less. We may trade, and be busy, and grow poor by it, unless we regulate our expences; if to this we are idle, negligent, dishonest, malicious, and disturb the sober and industrious in their business, let it be upon what pretence it will, we shall ruin the faster.

So that, whatever this author, or any one else may say, money is brought into England, by nothing but spending here less of foreign commodities, than what we carry to market, can pay for; nor can debts, we owe to foreigners, be paid by bills of exchange, till our commodities exported, and sold beyond sea, have produced money, or debts, due there to some of our merchants. For nothing will pay debts, but money, or money's worth, which three or four lines writ in paper, cannot be. If such bills have an intrinsick value, and can serve instead of money, why do we not send them to market, instead of our cloth, lead and tin, and at an easier rate purchase the commodities we want? All, that a bill of exchange can do, is to direct to whom money due, or taken up upon credit, in a foreign country, shall be paid: and if we trace it, we shall find, that what is owing already, became so for commodities, or money carried from hence: and, if it be taken upon credit, it must (let the debt be shifted from one creditor to another, as often as you will) at last be paid by money or goods, carried from hence, or else the merchant here must turn bankrupt.

We have seen how riches and money are got, kept or lost, in any country; and that is by consuming less of foreign commodities, than what by commodities, or labour, is paid for. This is in the ordinary course of things: but where great armies and alliances are to be maintained abroad, by supplies sent out of any country, there often, by a shorter and more sensible way, the treasure is diminished. But this, since the holy war, or at least since the improvement of navigation and trade, seldom happening to England, whose princes have found the enlarging their power by sea, and the securing our navigation and trade, more the interest of this kingdom than wars, or conquests, on the continent: expences in arms beyond sea, have had little influence on our riches or poverty. The next thing to be considered, is, how money is necessary to trade.

The necessity of a certain proportion of money to trade (I conceive) lies in this, that money, in its circulation, driving the several wheels of

trade, whilst it keeps in that channel (for some of it will unavoidably be drained into standing pools) is all shared between the landholder, whose land affords the materials ; the labourer, who works them ; the broker *i.e.* the merchant and shopkeeper, who distributes them to those that want them ; and the consumer who spends them. Now money is necessary to all these sorts of men, as serving both for counters and for pledges, and so carrying with it even reckoning, and security, that he, that receives it, shall have the same value for it again, of other things that he wants, whenever he pleases. The one of these it does by its stamp and denomination ; the other by its intrinsick value, which is its quantity.

For mankind, having consented to put an imaginary value upon gold and silver, by reason of their durableness, scarcity, and not being very liable to be counterfeited ; have made them, by general consent, the common pledges, whereby men are assured, in exchange for them, to receive equally valuable things, to those they parted with, for any quantity of these metals. By which means it comes to pass, that the intrinsic value, regarded in these metals, made the common barter, is nothing but the quantity, which men give or receive of them. For they having, as money, no other value, but as pledges to procure what one wants, or desires ; and they procuring what we want, or desire, only by their quantity, it is evident, that the intrinsic value of silver, and gold, used in commerce, is nothing but their quantity.

The necessity, therefore, of a proportion of money to trade, depends on money, not as counters, for the reckoning may be kept, or transferred by writing ; but on money as a pledge, which writing cannot supply the place of : since the bill, bond, or other note of debt, I receive from one man, will not be accepted as security by another, he not knowing that the bill, or bond is true or legal, or that the man, bound to me is honest, or responsible ; and so is not valuable enough to become a current pledge, nor can by public authority, be well made so, as in the case of assigning of bills. Because a law cannot give to bills that intrinsick value, which the universal consent of mankind has annexed to silver and gold. And hence foreigners can never be brought to take your bills or writings, for any part of payment, though perhaps, they might pass as valuable considerations among your own people, did not this very much hinder it, viz. That they are liable to unavoidable doubt, dispute and counterfeiting, and require other proofs, to assure us that they are true and good security, than our eyes, or a touchstone. And at best, this course, if practicable, will not hinder us from being poor ; but may be suspected to help to make us so, by keeping us from feeling our poverty, which, in distress, will be sure to find us with greater disadvantage. Though it be certain it is better than letting any part of our trade fall for want of current pledges ; and better too than borrowing money of our neighbours upon use, if this

way of assigning bills can be made so easy, safe, and universal at home, as to hinder it.

To return to the business in hand, and shew the necessity of a proportion of money to trade. Every man must have at least so much money, or so timely recruits, as may in hand, or in a short distance of time, satisfy his creditor who supplies him with the necessaries of life, or of his trade. For no body has any longer these necessary supplies, than he has money or credit, which is nothing else but an assurance of money, in some short time. So that it is requisite to trade, that there should be so much money, as to keep up the landholder's, labourer's, and broker's credit : and therefore ready money must be constantly exchanged for wares and labour, or follow within a short time after.

This shews the necessity of some proportion of money to trade : but what proportion that is, is hard to determine ; because it depends not barely on the quantity of money, but the quickness of its circulation. The very same shilling may, at one time, pay twenty men in twenty days : at another, rest in the same hands one hundred days together. This makes it impossible exactly to estimate the quantity of money needful in trade ; but to make some probable guess, we are to consider, how much money it is necessary to suppose must rest constantly in each man's hands, as requisite to the carrying on of trade.

I. Therefore, the labourers, living generally but from hand to mouth ; and, indeed, considered as labourers in order to trade, may well enough carry on their part, if they have but money enough to buy victuals, cloaths, and tools : all which may very well be provided, without any great sum of money, lying still in their hands. The labourers, therefore, being usually paid once a week, (if the times of payment be seldom, there must be more money for the carrying on this part of trade) we may suppose there is constantly amongst them, one with another, or those who are to pay them, always one week's wages in ready money. For it cannot be thought, that all, or most of the labourers pay away all their wages constantly, as soon as they receive it, and live upon trust till next pay-day. This the farmer and tradesman could not well bear, were it every labourer's case, and every one to be trusted ; and, therefore, they must, of necessity keep some money in their hands, to go to market for victuals, and to other tradesmen as poor as themselves, for tools ; and lay up money too to buy cloaths, or pay for those they bought upon credit. Which money, thus necessarily resting in their hands, we cannot imagine to be, one with another, much less than a week's wages, that must be in their pockets, or ready in the farmer's hands. For he, who employs a labourer at a shilling per day, and pays him on Saturday nights, cannot be supposed constantly to receive that six shillings, just the same Saturday : it must ordinarily be in his hands one time with another, if not a whole week, yet several days before.

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This was the ordinary course, whilst we had money running, in the several channels of commerce : but that now very much failing, and the farmer, not having money to pay the labourer, supplies him with corn, which, in this great plenty, the labourer will have at his own rate, or else not take it off his hands for wages. And as for the workmen, who are employed in our manufactures, especially the woollen one, these the clothier, not having ready money to pay, furnishes with the necessaries of life, and so trucks commodities for work ; which, such as they are, good, or bad, the workman must take at his master's rate, or sit still and starve : whilst by this means, this new sort of ingrossers, or forestallers, having the feeding and supplying this numerous body of workmen out of their warehouses, (for they have now magazines of all sorts of wares) set the price upon the poor landholder. So that the markets, now being destroyed, and the farmer not finding vent there for his butter, cheese, bacon and corn, &c. for which he was wont to bring home ready money, must sell it to these ingrossers, on their own terms of time and rate ; and allow it to their own day-labourers, under the true market-price. What kind of influence this is like to have upon land, and how this way rents are like to be paid at quarter-day, is easy to apprehend : and it is no wonder to hear every day, of farmers breaking and running away. For, if they cannot receive money for their goods at market, it will be impossible for them to pay their landlord's rent. If any one doubt whether this be so, I desire him to enquire how many farmers in the west are broke, and gone, since Michaelmas last. Want of money, being to this degree, works both ways upon the landholder. For, first, the ingrossing forestaller lets not the money come to market ; but supplying the workman, who is employed by him in manufacture, with necessaries, imposes his price, and forbearance on the farmer, who cannot sell to the others. And the labourer who is employed by the landholder in husbandry, imposes also his rate on him, for the commodities he takes. For there being a want of day-labourers in the country, they must be humoured, or else they will neither work for you, nor take your commodities for their labour.

II. As for the landholder, since his tenants cannot coin their rent just at quarter-day, but must gather it up by degrees, and lodge it with them till pay-day ; or borrow it of those, who have it lying by them, or do gather it up by degrees, which is the same thing, and must be necessarily so much money for some time lying still. For all that is paid in great sums, must somewhere be gathered up by the retail incomes of trade, or else lie still too in great sums, which is the same stop of money, or a greater. Add to this, that to pay the creditor, that lent him his rent, he must gather up money by degrees, as the sale of his commodities shall bring it in, and so makes a greater stop, and greater want of money : since the borrowed money that paid the landholder the 25th of March, must be supposed to lie still some time, in the cre-

ditor's hand, before he lent it the tenant; and the money that pays the creditor three months after, must lie still some time in the tenant's. Nor does the landlord pay away his rent usually, as soon as he receives it, but by degrees, as his occasions call for it. All this considered, we cannot but suppose, that between the landlord and tenant, there must necessarily be at least a quarter of the yearly revenue of the land, constantly in their hands. Indeed considering that most part of the rents of England are paid at Lady-day and Michaelmas, and that the same money, which pays me my rent from my tenant the 25th of March, or thereabouts, cannot pay my next neighbour his rent from his tenant at the same time, much less one more remote in another country, it might seem requisite to suppose half the yearly revenue of the land to be necessarily employed in paying of rent. For to say that some tenants break, and pay not their rent at all, and others pay not till two, three, four, five, six, &c. months after quarter-day, and so the rent is not all paid at one time, is no more than to say, that there is money wanting to the trade. For, if the tenant fail the landlord, he must fail his creditor, and he his, and so on, till somebody break, and so trade decay, for want of money. But since a considerable part of the land of England is in the owners' hands, who neither pay nor receive great sums for it at a certain day; because too, (which is the chief reason) we are not to consider here, how much money is in any one man's, or any one sort of men's hands, at one time; for that at other times may be distributed into other hands, and serve other parts of trade; but how much money is necessary to be in each man's hands all the year round, taking one time with another, *i. e.* having three hundred pounds in his hand one month, is to be reckoned as one hundred pounds in his hand three months, (and so proportionably) I think we may well suppose a quarter of the yearly revenue to be constantly in the landlord's, or tenant's hands.

Here, by the by, we may observe, that it were better for trade, and consequently for every body, (for more money would be stirring, and less would do the business) if rents were paid by shorter intervals than six months. For, supposing I lett a farm at £52 per annum, if my rent be paid half yearly, there is required £26 to be employed in the payment of it in one entire sum, (if it be paid well, and if it be not paid well, for want of so much money to be spared to that purpose, there is so much want of money, and trade is still endamaged by it) a great part whereof must necessarily lie still, before it come out of my tenant's chest to my hands; if it be paid once a quarter, £13 alone will do it, and less money is laid up for it, and stopped a less while in its course: but, should it be paid every week, one single 20s. will pay the rent of £52 per annum, whence would follow this double benefit. 1. That a great deal less money would serve for the trade of a country. And, 2. That less of the money would lie still; the con-

trary whereof must needs happen, where growing debts are to be paid at larger distances, and in greater sums.

III. As for the brokers, since they too must lay up the money, coming in by retail, either to go to market, and buy wares, or to pay at the day appointed, which is often six months, for those wares which they have already ; we cannot suppose them to have less by them, one with another, than one twentieth part of their yearly returns. Whether the money be their own, or they be indebted so much, or more, it matters not, if it be necessary they should have constantly by them, comparing one time with another, at least one twentieth part of their yearly return.

Indeed, in some great towns, where the bankers are ready at hand to buy bills, or any other way to lend money, for short time at great interest, there perhaps the merchant is not forced to keep so much money by him, as in other places, where they have not such a supply ; but if you consider what money to do this must necessarily be constantly lodged in the banker's hands, the case will be much the same.

To these sums, if you add, what part of the money of a country, scholars of all sorts, women, gamesters, and great men's menial servants, and all such that do not contribute at all to trade, either as landholders, labourers, or brokers, will unavoidably have constantly in their hands ; it cannot well be thought, that less than one fiftieth part of the labourer's wages, one fourth part of the landholder's yearly revenue, and one twentieth part of the broker's yearly returns in ready money, will be enough to drive the trade of any country. At least to put it beyond exception low enough, it cannot be imagined that less than one moiety of this, *i.e.* less than one hundredth part of the labourer's yearly wages, one eighth part of the landholder's yearly revenue, and one fortieth part of the broker's yearly returns, in ready money, can be enough to move the several wheels of trade, and keep up commerce, in that life and thriving posture it should be ; and how much the ready cash of any country is short of this proportion, so much must the trade be impaired and hindered for want of money.

But however these measures may be mistaken, this is evident, that the multiplying of brokers hinders the trade of any country, by making the circuit, which the money goes, larger ; and in that circuit more stops, so that the returns must necessarily be slower and scantier, to the prejudice of trade : besides that, they eat up too great a share of the gains of trade : by that means starving the labourer, and impoverishing the landholder, whose interest is chiefly to be taken care of, it being a settled, unmoveable concernment in the commonwealth.

If this be so, it is past question, that all encouragement should be given to artificers ; and things so ordered, as much as might be, that those, who make, should also vend and retail out of their own commodities, and they be hindered, as much as possible, from passing

here at home, through divers hands to the last buyer. Lazy and unworking shopkeepers in this being worse than gamesters, that they do not only keep so much of the money of a country constantly in their hands, but also make the publick pay them for their keeping of it. Though gaming, too, upon the account of trade (as well as other reasons) may well deserve to be restrained; since gamesters, in order to their play, keep great sums of money by them, which there lies dead. For, though gamester's money shift masters oftener than any, and is tumbled up and down with every cast of a die, yet, as to the publick, it lies perfectly still, and no more of it comes into trade, than they spend in eating, or wearing.

Here, too, we may observe, how much manufacture deserves to be encouraged; since that part of trade, though the most considerable, is driven with the least money, especially if the workmanship be more worth than the materials. For to the trade that is driven by labour and handicraftsmen, one two-and-fiftieth part of the yearly money paid them will be sufficient: but to a trade of our commodities, of our bare, native growth, much greater proportion of money is required.

Perhaps it will be wondered, why, having given some estimate (how wide I know not) of the money, necessary in the hands of the landholder, labourer, and broker, to carry on trade, I have said nothing of the consumer, whom I had mentioned before. To this I answer, there are so few consumers, who are not either labourers, brokers, or landholders, that they make a very inconsiderable part in the account. For those, who immediately depend on the landholder, as his children and servants, come in under that title, being maintained by the rent of his lands; and so of the rest.

By what has been said, we may see what injury the lowering of interest is like to do us, by hindering trade, when it shall either make the foreigner call home his money, or your own people backward to lend, the reward not being judged proportionable to the risque.

There is another seeming consequence, of the reducing of money to a low price, which at first sight has such an appearance of truth in it, that I have known it to impose upon very able men, and I guess it has no small influence, at this time, in the promoting this alteration; and that is, that the lowering of interest will raise the value of all other things in proportion. For money being the counter-balance to all other things purchaseable by it, and lying, as it were, in the opposite scale of commerce, it looks like a natural consequence, that as much as you take off from the value of money, so much you add to the price of other things which are exchanged for it; the raising of the price of any thing being no more but the addition to its value in respect of money, or, which is all one, lessening the value of money. For example: should the value of gold be brought down to that of silver, one hundred guineas would purchase little more corn, wool, or

land, than one hundred shillings ; and so, the value of money being brought lower, say they, the price of other things will rise, and the falling of interest from six pounds to four pounds per cent. is taking away so much of the price of money, and so consequently the lessening its value.

The mistake of this plausible way of reasoning will be easily discovered, when we consider that the measure of the value of money, in proportion to anything purchaseable by it, is the quantity of the ready money we have in comparison with the quantity of that thing, and its vent ; or, which amounts to the same thing, the price of any commodity rises or falls, by the proportion of the number of buyers and sellers : this rule holds universally in all things that are to be bought and sold, bating now and then an extravagant fancy of some particular person, which never amounts to so considerable a part of trade, as to make anything in the account, worthy to be thought an exception to this rule.

The vent of anything depends upon its necessity or usefulness ; as convenience, or opinion, guided by fancy, or fashion, shall determine.

The vent of any commodity comes to be increased, or decreased, as a greater part of the running cash of the nation is designed to be laid out, by several people at the same time, rather in that, than another ; as we see in the change of fashions.

I shall begin first with the necessities, or conveniences of life, and the consumable commodities subservient thereunto ; and shew, that the value of money, in respect of those, depends only on the plenty, or scarcity of money, in proportion to the plenty and scarcity of those things ; and not on what interest shall, by necessity, law, or contract, be at that time laid on the borrowing of money : and then afterwards I shall shew that the same holds in land.

There is nothing more confirmed, by daily experience, than that men give any portion of money, for whatsoever is absolutely necessary, rather than go without it. And in such things, the scarcity of them alone makes their prices. As, for example : let us suppose half an ounce of silver, or half a crown now in England, is worth a bushel of wheat : but should there be next year a great scarcity of wheat in England, and a proportionable want of all other food, five ounces of silver would, perhaps, in exchange purchase but one bushel of wheat : so that money would be then nine-tenths less worth in respect of food, though at the same value it was before, in respect of other things, that kept their former proportion, in their quantity and consumption.

By the like proportions, of increase and decrease, does the value of things, more or less convenient, rise and fall, in respect of money ; only with this difference, that things absolutely necessary for life must be had at any rate ; but things convenient will be had only as they stand in preference with other conveniences : and therefore in

any one of these commodities, the value rises only as its quantity is less, and vent greater, which depends upon its being preferred to other things, in its consumption. For supposing that, at the same time that there is a great scarcity of wheat, and other grain, there was a considerable quantity of oats, men, no question, would give far more for wheat than oats, as being the healthier, pleasanter, and more convenient food: but, since oats would serve to supply that absolute necessity of sustaining life, men would not rob themselves of all other conveniences of life, by paying all their money for wheat, when oats, that are cheaper, though with some inconvenience, would supply that defect. It may then so happen at the same time, that half an ounce of silver, that the year before would buy one bushel of wheat, will this year buy but one tenth of a bushel: half an ounce of silver, that the year before would have bought three bushels of oats, will this year still buy one: and at the same time half an ounce of silver, that would the year before have bought fifteen pounds of lead, will still buy the same quantity. So that at the same time silver, in respect of wheat, is nine-tenths less worth than it was, in respect of oats two thirds less worth, and in respect of lead as much worth as before.

The fall, therefore, or rise of interest, making immediately, by its change, neither more, nor less land, money, or any sort of commodity in England, than there was before, alters not at all the value of money, in reference to commodities. Because the measure of that is only the quantity and vent, which are not immediately changed by the change of interest. So far as the change of interest conduces, in trade, to the bringing in, or carrying out money, or commodities, and so in time to the varying their proportions here in England, from what it was before; so far the change of interest, as all other things that promote, or hinder trade, may alter the value of money, in reference to commodities. But that is not in this place to be considered.

This is perfectly the value of money, in respect of consumable commodities: but the better to understand it, in its full latitude, in respect both of consumable commodities, and land too, we must consider, first, That the value of land consists in this, that, by its constant production of saleable commodities, it brings in a certain yearly income. Secondly, The value of commodities consists in this, that as portable and useful things, they, by their exchange or consumption, supply the necessities, or conveniences of life. Thirdly, In money there is a double value, answering to both of these, first, as it is capable, by its interest, to yield us such a yearly income: and in this it has the nature of land, (the income of one being called rent, of the other use) only with this difference, that the land, in its soil being different, as some fertile, some barren, and the products of it very various, both in their sorts, goodness, and vent, is not capable of any fixed estimate by its quantity: but money being constantly the same, and by its interest

giving the same sort of product, through the whole country, is capable of having a fixed yearly rate set upon it by the magistrate; but land is not. But though, in the uniformity of its legal worth, one hundred pounds of lawful money being all through England equal in its current value, to any other one hundred pounds of lawful money, (because by virtue of the law it will everywhere pass for as much ware, or debt, as any other hundred pounds,) is capable to have its yearly hire valued better than land: yet in respect of the varying need, and necessity of money, (which changes with the increase, or decay of money, or trade, in a country,) it is as little capable to have its yearly hire fixed by law, as land itself. For were all the land in Rumney-marsh, acre for acre, equally good, that is, did constantly produce the same quantity of equally good hay, or grass, one as another, the rent of it, under that consideration, of every acre being of an equal worth, would be capable of being regulated by law; and one might as well enact, that no acre of land in Rumney-marsh shall be lett for above forty shillings per annum, as that no hundred pounds shall be lett for above four pounds per annum. But nobody can think it fit (since by reason of the equal value of that land it can) that therefore the rent of the land in Rumney-marsh should be regulated by law. For supposing all the land in Rumney-marsh, or in England, were all of so equal a worth, that any one acre, compared at the same time to any one other, were equally good, in respect of its product; yet the same acre, compared with itself in different times, would not, in respect of rent, be of equal value. And therefore, it would have been an unreasonable thing, if in the time of Henry VII. the rent of land in Rumney-marsh had been settled by a law, according to the judged value of it at that time, and the same law, limiting the rent perhaps to 5s. per acre, have continued still. The absurdity and impracticableness of this every one sees, at the first proposal, and readily concludes within himself, that things must be left to find their own price; and it is impossible, in this their constant mutability, for human foresight to set rules and bounds to their constantly varying proportion and use, which will always regulate their value.

They, who consider things beyond their names, will find, that money, as well as all other commodities, is liable to the same changes and inequalities: nay, in this respect of the variety of its value, brought in by time, in the succession of affairs, the rate of money is less capable of being regulated by a law, in any country, than the rent of land. Because, to the quick changes, that happen in trade, this too must be added, that money may be brought in, or carried out of the kingdom, which land cannot; and so that be truly worth six or eight per cent. this year, which would yield about four the last.

2. Money has a value, as it is capable, by exchange, to procure us the necessities, or conveniences of life, and in this it has the nature of

a commodity ; only with this difference, that it serves us commonly by its exchange, never almost by its consumption. But though the use men make of money be not in its consumption, yet it has not at all a more standing, settled value, in exchange with any other thing, than any other commodity has ; but a more known one, and better fixed by name, number, and weight, to enable us to reckon what the proportion of scarcity and vent of one commodity is to another. For supposing, as before, that half an ounce of silver would last year exchange for one bushel of wheat, or for 15 lb. weight of lead ; if this year wheat be ten times scarcer, and lead in the same quantity to its vent, as it was, is it not evident, that half an ounce of silver will still exchange for 15 lb. of lead, though it will exchange but for one tenth of a bushel of wheat ? and he that has use of lead will as soon take 15 lb. weight of lead, as half an ounce of silver, for one tenth of a bushel of wheat, and no more. So that if you say, that money now is nine tenths less worth than it was the former year, you must say so of lead too, and all other things, that keep the same proportion to money which they had before. The variation, indeed, is first and most taken notice of in money : because that is the universal measure, by which people reckon, and used by everybody in the valuing of all things. For calling that half ounce of silver half a crown, they speak properly, and are readily understood, when they say half a crown, or two shillings and six-pence, will now buy one tenth of a bushel of wheat, but do not say, that 15 lb. of lead will now buy one tenth of a bushel of wheat, because it is not generally used to this sort of reckoning : nor do they say, lead is less worth than it was, though, in respect of wheat, lead, as well as silver, be nine tenths worse than it was, as well as silver ; only by the tale of shillings, we are better enabled to judge of it : because these are measures, whose ideas by constant use are settled in every Englishman's mind.

This, I suppose, is the true value of money, when it passes from one to another, in buying and selling ; where it runs the same changes of higher, or lower, as any other commodity doth : for one equal quantity whereof, you shall receive in exchange more, or less of another commodity, at one time, than you do at another. For a farmer that carries a bushel of wheat to market, and a labourer that carries a half a crown, shall find that the money of one, as well as corn of the other, shall at some times purchase him more or less leather, or salt, according as they are in greater plenty, and scarcity, one to another. So that in exchanging coined silver for any other commodity (which is buying and selling), the same measure governs the proportion you receive, as if you exchanged lead, or wheat, or any other commodity. That which regulates the price, *i. e.* the quantity given for money (which is called buying and selling), for another commodity (which is called bartering), is nothing else but their quantity in proportion to their vent. If then lowering of use makes not your silver more in specie, or your wheat,

or other commodities less, it will not have any influence at all to make it exchange for less of wheat, or any other commodity, than it will have on lead, to make it exchange for less wheat, or any other commodity.

Money therefore, in buying and selling, being perfectly in the same condition with other commodities, and subject to all the same laws of value, let us next see how it comes to be of the same nature with land, by yielding a certain yearly income, which we call use, or interest. For land produces naturally something new and profitable, and of value to mankind; but money is a barren thing, and produces nothing; but by compact transfers that profit, that was the reward of one man's labour, into another man's pocket. That which occasions this, is the unequal distribution of money; which inequality has the same effect too upon land, that it has upon money. For my having more money in my hand than I can, or am disposed to use in buying and selling, makes me able to lend: and another's want of so much money as he could employ in trade, makes him willing to borrow. But why then, and for what consideration doth he pay use? For the same reason, and upon as good consideration, as the tenant pays rent for your land. For as the unequal distribution of land (you having more than you can, or will manure, and another less), brings you a tenant for your land; and the same unequal distribution of money (I having more than I can, or will employ, and another less), bring me a tenant for my money: so my money is apt in trade, by the industry of the borrower, to produce more than six per cent. to the borrower, as well as your land, by the labour of the tenant, is apt to produce more fruits, than his rent comes to; and therefore deserves to be paid for, as well as land by a yearly rent. For though the usurer's money would bring him in no yearly profit, if he did not lend it (supposing he employs it not himself), and so his six per cent. may seem to be the fruit of another man's labour, yet he shares not near so much of the profit of another man's labour, as he that lets land to a tenant. For, without the tenant's industry (supposing as before, the owner would not manage it himself), his land would yield him little or no profit. So that the rent he receives is a greater portion of the fruit of his tenant's labour, than the use is at six per cent. For generally, he that borrows £1000 at six per cent. and so pays £60 per annum use, gets more above his use in one year, by his industry, than he that rents a farm of £60 per annum gets in two, above his rent, though his labour be harder.

It being evident therefore, that he that has skill in traffick, but has not money enough to exercise it, has not only reason to borrow money, to drive his trade and get a livelihood; but has much reason to pay use for that money, as he, who having skill in husbandry, but no land of his own to employ it in, has not only reason to rent land, but to pay money for the use of it: it follows, that borrowing money upon

use is not only, by the necessity of affairs, and the constitution of human society, unavoidable to some men; but that also to receive profit for the loan of money, is as equitable and lawful, as receiving rent for land, and more tolerable to the borrower, notwithstanding the opinion of some over scrupulous men.

This being so, one would expect, that the rate of interest should be the measure of the value of land in number of years purchase, for which the fee is sold; for £100 per annum being equal to £100 per annum, and so to perpetuity; and £100 per annum being the product of £1000 when interest is at 10 per cent., of £1250 when interest is at 8 per cent., of £1666 or thereabouts, when interest is at 6 per cent., of £2000 when money is at 5 per cent., of £2500 when money is at 4 per cent. One would conclude, I say, that land should sell in proportion to use, according to these following rates, viz.

$$\text{When money is at } \left\{ \begin{array}{c} 10 \\ 8 \\ 6 \\ 5 \\ 4 \end{array} \right\} \text{ per cent. for } \left\{ \begin{array}{c} 10 \\ 12\frac{1}{2} \\ 16\frac{2}{3} \\ 20 \\ 25 \end{array} \right\} \text{ years purchase.}$$

But experience tells us, that neither in queen Elizabeth, nor king James the first's reigns, when interest was at ten per cent., was land sold for ten; or when it was at eight per cent. for twelve and a half year's purchase, or any thing near the low rate, that high use required (if it were true, that the rate of interest governed the price of land), any more than land now yields twenty five years purchase, because a great part of the moneyed men will now lett their money upon good security, at four per cent. Thus we see in fact how little this rule has held at home: and he that will look into Holland, will find, that the purchase of land was raised there, when their interest fell. This is certain, and past doubt, that the legal interest can never regulate the price of land, since it is plain, that the price of land has never changed with it, in the several changes that have been made, in the rate of interest by law: nor now that the rate of interest is by law the same through all England, is the price of land every where the same, it being in some parts constantly sold for four or five years purchase, more than in others. Whether you, or I, can tell the reason of this, it matters not to the question in hand: but it being really so, this is plain demonstration against those, who pretend to advance and regulate the price of land by a law, concerning the interest of money.

But yet I will give you some of my guesses, why the price of land is not regulated (as at first sight, it seems it should be), by the interest of money. Why it is not regulated by the legal use is manifest, because the rate of money does not follow the standard of the law, but the price of the market; and men, not observing the legal and forced, but the natural and current interest of money, regulate their affairs by

that. But why the rate of land does not follow the current interest of money, requires a farther consideration.

All things, that are bought and sold, raise and fall their price in proportion, as there are more buyers or sellers. Where there are a great many sellers to a few buyers, there use what art you will, the thing to be sold will be cheap. On the other side, turn the tables, and raise up a great many buyers for a few sellers, and the same thing will immediately grow dear. This rule holds in land, as well as all other commodities, and is the reason, why in England, at the same time, that land in some places is at seventeen or eighteen years purchase, it is about others, where there are profitable manufactures, at two or three and twenty years purchase : because there (men thriving and getting money, by their industry, and willing to leave their estates to their children in land, as the surest, and most lasting provision, and not so liable to casualties as money in untrading or unskilful hands), are many buyers ready always to purchase, but few sellers. For, the land thereabout being already possessed by that sort of industrious and thriving men, they have neither need, nor will, to sell. In such places of manufacture, the riches of the one not arising from the squandering and waste of another (as it doth in other places, where men live lazily upon the product of the land), the industry of the people, bringing in increase of wealth from remote parts, makes plenty of money there, without the impoverishing of their neighbours. And, when the thriving tradesman has got more than he can well employ in trade, his next thoughts are to look out for a purchase ; but it must be a purchase in the neighbourhood, where the estate may be under his eye, and within convenient distance, that the care and pleasure of his farm may not take him off from the engagements of his calling, nor remove his children too far from him, or the trade he breeds them up in. This seems to me the reason, why in places, wherein thriving manufacturers have erected themselves, land has been observed to sell quicker, and for more years purchase than in other places, as about Halifax in the north, Taunton and Exeter in the west.

This is that then, which makes land, as well as other things, dear : plenty of buyers, and but few sellers : and so, by the rule of contraries, plenty of sellers and few buyers makes land cheap.

He, that will justly estimate the value of any thing, must consider its quantity in proportion to its vent, for this alone regulates the price. The value of any thing, compared with itself, or with a standing measure, is greater, as its quantity is less in proportion to its vent : but, in comparing it, or exchanging it with any other thing, the quantity and vent of that thing too must be allowed for, in the computation of their value. But, because the desire of money is constantly almost every where the same, its vent varies very little, but as its greater scarcity enhances its price, and increases the scramble : there being

nothing else that does easily supply the want of it: the lessening its quantity, therefore, always increases its price, and makes an equal portion of it exchange for a greater of any other thing. Thus it comes to pass, that there is no manner of settled proportion between the value of an ounce of silver, and any other commodity; for, either varying its quantity in that country, or the commodity changing its quantity in proportion to its vent, their respective values change, *i. e.* less of one will barter for more of the other: though, in the ordinary way of speaking, it is only said, that the price of the commodity, not of the money, is changed. For example; half an ounce of silver in England, will exchange sometimes for a whole bushel of wheat, sometimes for half, sometimes but a quarter, and this it does equally, whether by use it be apt to bring in to the owner six in the hundred of its own weight per annum, or nothing at all: it being only the change of the quantity of wheat to its vent, supposing we have still the same sum of money in the kingdom; or else the change of the quantity of our money in the kingdom, supposing the quantity of wheat, in respect to its vent be the same too, that makes the change in the price of wheat. For if you alter the quantity, or vent, on either side, you presently alter the price, but no other way in the world.

For it is not the being, adding, increasing, or diminishing of any good quality in any commodity, that makes its price greater, or less; but only as it makes its quantity, or vent, greater, or less, in proportion one to another. This will easily appear by two or three instances.

1. The being of any good, and useful quantity in any thing, neither increases its price, nor indeed makes it have any price at all, but only as it lessens its quantity, or increases its vent; each of these in proportion to one another. What more use, or necessary things are there to the being, or well-being of men, than air and water? and yet these have generally no price at all, nor yield any money: because their quantity is immensely greater than their vent, in most places of the world. But, as soon as ever water (for air still offers itself every where, without restraint, or inclosure, and therefore is no where of any price) comes any where to be reduced into any proportion to its consumption, it begins presently to have a price, and is sometimes sold dearer than wine. Hence it is, that the best, and most useful things are commonly the cheapest; because, though their consumption be great, yet the bounty of providence has made their production large, and suitable to it.

2. Nor does the adding an excellency to any commodity, raise its price, unless it increase its consumption. For, suppose there should be taught a way (which should be published to the knowledge of every one) to make a medicine of wheat alone, that should infallibly cure the stone: it is certain the discovery of this quality in that grain, would give it an excellency very considerable: and yet this would not in-

crease the price of it one farthing in twenty bushels, because its quantity, or vent, would not hereby, to any sensible degree, be altered.

3. Neither does the increasing of any good quality, in any sort of things, make it yield more. For though teasels be much better this year than they were last, they are not one jot dearer, unless they be fewer too, or the consumption of them greater.

4. Nor does the lessening the good qualities of any sort of commodity lessen its price; which is evident in hops, that are usually dearest those years they are worst. But, if it happens to be a species of commodity, whose defects may be supplied by some other, the making of it worse does lessen its price, because it hinders its vent. For, if rye should any year prove generally smutty, or grown, no question it would yield less money than otherwise, because the deficiency of that might be, in some measure, made up by wheat, and other grain. But, if it be a sort of commodity, whose use no other known thing can supply, it is not its being better, or worse, but its quantity, and vent, is that alone which regulates, and determines its value.

To apply this now to money, as capable of different rates of interest. To money, considered in its proper use as a commodity passing in exchange from one to another, all that is done by interest, is but the adding to it by agreement, or publick authority, a faculty, which naturally it has not, of increasing every year six per cent. Now, if publick authority sink use to four per cent., it is certain it diminishes this good quality in money one third. But yet this making the money of England not one farthing more than it was, it alters not the measures, upon which all changeable commodities increase, or sink their price; and so makes not money exchange for less of any commodity, than it would without this alteration of its interest. If lessening use to four per cent. should at all alter the quantity of money, and make it less, it would make money, as it has the nature of a commodity, dearer, i. e. a less quantity of money would exchange for a greater quantity of another commodity, than it would before. This perhaps will appear a little plainer by these following particulars.

1. That the intrinsick, natural worth of any thing, consists in its fitness to supply the necessities, or serve the conveniences of human life; and the more necessary it is to our being, or the more it contributes to our well-being, the greater is its worth. But yet,

2. That there is no such intrinsick, natural settled value in any thing, as to make any assigned quantity of it constantly worth any assigned quantity of another.

3. The marketable value of any assigned quantities of two, or more commodities, are (*pro hic et nunc*) equal, when they will exchange one for another. As, supposing one bushel of wheat, two bushels of barley, thirty pounds of lead, and one ounce of silver, will now in the market be taken one for another, they are then of equal worth: and,

our coin being that which Englishmen reckon by, an Englishman would say, that now one bushel of wheat, two bushels of barley, thirty pounds of lead, and one ounce of silver, were equally worth five shillings.

4. The change of this marketable value of any commodity, in respect of another commodity, or in respect of a standing, common measure, is not the altering of any intrinsick value, or quality, in the commodity ; (for musty and smutty corn will sell dearer at one time, than the clean and sweet at another) but the alteration of some proportion, which that commodity bears to something else.

5. This proportion in all commodities, whereof money is one, is the proportion of their quantity to the vent. The vent is nothing else, but the passing of commodities from one owner to another, in exchange ; and is then called quicker, when a greater quantity of any species of commodity, is taken off from the owners of it, in an equal space of time.

6. This vent is regulated, i. e. made quicker or slower, as greater or less quantities of any saleable commodity are removed out of the way and course of trade ; separated from publick commerce : and no longer lie within the reach of exchange. For, though any commodity should shift hands ever so fast, and be exchanged from one man to another ; yet, if they were not thereby exempted from trade and sale, and did not cease to be any longer traffick, this would not at all make, or quicken their vent. But this, seldom or never happening, makes very little or no alteration.

7. Things are removed out of the market, or hands of commerce, and so their vent altered three ways ; 1. By consumption, when the commodity in its use is destroyed, as meat, drink, and cloaths, &c., all that is so consumed is quite gone out of the trade of the world. 2. By exportation ; and all that is so carried away, is gone out of the trade of England, and concerns Englishmen no more in the price of their commodities among themselves for their own use, than if it were out of the world. 3. By buying and laying up for a man's private use. For what is by any of these ways shut out of the market, and no longer moveable, by the hand of commerce, makes no longer any part of merchantable ware, and so, in respect of trade, and the quantity of any commodity, is not more considerable than if it were not in being. All these three terminating at last in consumption of all commodities, (excepting only jewels and plate, and some few others, which wear out but insensibly) may properly enough pass under that name. Ingrossing too has some influence on the present vent : but this inclosing some considerable part of any commodity, (for if the ingrossing be of all the commodity, and if it be of general use, the price is at the will of the ingrosser) out of the free common of trade, only for some time, and afterwards returning again to sale, makes not usually so sensible and

general an alteration in the vent, as the others do ; but yet influences the price, and the vent more, according as it extends itself to a larger portion of the commodity, and hoards it up longer.

8. Most other portable commodities (excepting jewels, plate, &c.) decaying quickly in their use, but money being less consumed, or increased, i. e. by slower degrees removed from, or brought into the free commerce of any country, than the greatest part of other merchandize ; and so the proportion between its quantity and vent, altering slower than in most other commodities ; it is commonly looked on as a standing measure, to judge of the value of all things, especially being adapted to it by its weight and denomination in coinage.

9. Money, whilst the same quantity of it is passing up and down the kingdom in trade, is really a standing measure of the falling and rising value of other things, in reference to one another : and the alteration of price is truly in them only. But if you increase, or lessen, the quantity of money, current in traffic, in any place, then the alteration of value is in the money : and, if at the same time wheat keep its proportion of vent to quantity, money, to speak truly, alters its worth, and wheat does not, though it sell for a greater, or less price, than it did before. For money, being looked upon as the standing measure of other commodities, men consider and speak of it still, as if it were a standing measure, though when it has varied its quantity, it is plain it is not.

10. But the value, or price of all commodities, amongst which money passing in trade is truly one, consisting in proportion, you alter this, as you do all other proportions, whether you increase one, or lessen the other.

11. In all other commodities, the owners, when they design them for traffick, endeavour, as much as they can, to have them vented and gone, i. e. removed out of the reach of commerce, by consumption, exportation, or laying up : but money, never lying upon people's hands, or wanting vent, (for any one may part with it in exchange, when he pleases ;) the provident publick, or private care, is to keep it from venting, or consuming, i. e. from exportation, which is its proper consumption ; and from hoarding up by others, which is a sort of ingrossing. Hence it is that other commodities have sometimes a quicker, sometimes a slower vent : for nobody lays out his money in them, but according to the use he has of them, and that has bounds. But, everybody being ready to receive money without bounds, and keep it by him, because it answers all things : therefore the vent of money is always sufficient, or more than enough. This being so, its quantity alone is enough to regulate and determine its value, without considering any proportion between its quantity and vent, as in other commodities.

12. Therefore the lessening of use, not bringing one penny of money more into the trade, or exchange of any country, but rather drawing it

away from trade, and so making it less, does not at all sink its value, and make it buy less of any commodity, but rather more.

13. That, which raises the natural interest of money, is the same that raises the rent of land, i. e. its aptness to bring in yearly to him that manages it, a greater overplus of income above his rent, as a reward to his labour. That which causes this in land, is the greater quantity of its product, in proportion to the same vent to that particular fruit, or the same quantity of product, in proportion to a greater rent of that single commodity; but that which causes increase of profit to the borrower of money, is the less quantity of money, in proportion to trade, or to the vent of all commodities, taken together, and vice versa.

14. The natural value of money, as it is apt to yield such a yearly income by interest, depends on the whole quantity of the then passing money of the kingdom, in proportion to the whole trade of the kingdom, i. e. the general vent of all the commodities. But the natural value of money, in exchanging for any one commodity, is the quantity of the trading money of the kingdom, designed for that commodity, in proportion to that single commodity and its vent. For though any single man's necessity and want, either of money, or any species of commodity, being known, may make him pay dearer for money, or that commodity; yet this is but a particular case, that does not at the same time alter this constant and general rule.

15. That supposing wheat a standing measure, that is, that there is constantly the same quantity of it, in proportion to its vent, we shall find money to run the same variety of changes in its value, as all other commodities do. Now that wheat in England does come nearest to a standing measure, is evident by comparing wheat with other commodities, money, and the yearly income of land, in Henry VII.'s time, and now. For supposing that primo Henry VII. N. let 100 acres of land to A. for 6d. per annum per acre, rack-rent, and to B. another 100 acres of land, of the same soil and yearly worth with the former, for a bushel of wheat per acre, rack-rent, (a bushel of wheat about that time being probably sold for about 6d.) it was then an equal rent. If, therefore, these leases were for years yet to come, it is certain that he, that paid but 6d. per acre, would pay now 50s. per annum, and he that paid a bushel of wheat per acre, would now pay about £25 per annum, which would be near about the yearly value of the land, were it to be let now. The reason whereof is this, that there being ten times as much silver now in the world, (the discovery of the West-Indies having made the plenty) as there was then, it is nine-tenths less worth now, than it was at that time; that is, it will exchange for nine-tenths less of any commodity now, which bears the same proportion to its vent, as it did 200 years since; which of all other commodities, wheat is likeliest to do. For in England, and this part of the world, wheat

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being the constant and most general food, not altering with the fashion, not growing by chance ; but as the farmers sow more, or less of it, which they endeavour to proportion, as near as can be guessed, to the consumption, abstracting the overplus of the precedent year, in their provision for the next, and vice versa ; it must needs fall out, that it keeps the nearest proportion to its consumption, (which is more studied and designed in this, than other commodities) of any thing, if you take it for seven or twenty years together : though perhaps the plenty, or scarcity of one year, caused by the accidents of the season, may very much vary it from the immediately precedent, or following. Wheat, therefore, in this part of the world, (and that grain, which is the constant general food of any other country) is the fittest measure to judge of the altered value of things, in any long tract of time : and therefore, wheat here, rice in Turkey, &c. is the fittest thing to reserve a rent in, which is designed to be constantly the same for all future ages. But money is the best measure of the altered value of things in a few years : because its vent is the same, and its quantity alters slowly. But wheat, or any other grain, cannot serve instead of money ; because of its bulkiness, and too quick change of its quantity. For had I a bond, to pay me 100 bushels of wheat next year, it might be a fourth part loss, or gain to me ; too great an inequality and uncertainty to be ventured in trade : besides the different goodness of several parcels of wheat in the same year.

16. That, supposing any island separate from the commerce of the rest of mankind ; if gold and silver, or whatever else (so it be lasting) be their money, if they have but a certain quantity of it, and can get no more, that will be a steady, standing measure of the value of all other things.

17. That, if in any country they use for money any lasting material, whereof there is not any more to be got, and so cannot be increased ; or being of no other use, the rest of the world does not value it, and so it is not like to be diminished ; this also would be a steady, standing measure of the value of other commodities.

18. That, in a country, where they had such a standing measure, any quantity of that money (if it were but so much, that every body might have some) would serve to drive any proportion of trade, whether more, or less ; there being counters enough to reckon by, and the value of the pledges being still sufficient, as constantly increasing with the plenty of the commodity. But these three last, being built on suppositions, that are not like to be found in the practice of mankind, since navigation and commerce have brought all parties acquainted with one another, and introduced the use of gold and silver money, into all trading parts of the world ; they serve rather to give us some light into the nature of money, than to teach here a new measure of traffic. Though it be certain, that that part of the world, which bred most of

our gold and silver, used least of it in exchange, and used it not for money at all.

19. That therefore, in any country, that hath commerce with the rest of the world, it is almost impossible now to be without the use of silver coin; and having money of that, and accounts kept in such money, it is impossible to have any standing, unalterable measure of the value of things. For, whilst the mines supply to mankind more than wastes and consumes in its use, the quantity of it will daily grow greater, in respect of other commodities, and its value less.

20. That in a country, that hath open commerce with the rest of the world, and uses money, made of the same materials with their neighbours, any quantity of that money will not serve to drive any quantity of trade; but there must be a certain proportion between their money and trade. The reason whereof is this, because, to keep your trade going without loss, your commodities amongst you must keep an equal, or at least, near the price of the same species of commodities in the neighbouring countries: which they cannot do, if your money be far less than in other countries: for then, either your commodities must be sold very cheap, or a great part of your trade must stand still, there not being money enough in the country to pay for them (in their shifting of hands) at that high price, which the plenty, and consequently low value of money makes them at in another country. For the value of money in general, is the quantity of all the money in the world, in proportion to all the trade: but the value of money in any one country, is the present quantity of the current money in that country, in proportion to the present trade. Supposing then, that we had now in England but half as much money, as we had seven years ago, and yet had still as much yearly product of commodities, as many hands to work them, and as many brokers to disperse them, as before; and that the rest of the world we trade with, had as much money as they had before, (for it is likely they should have more by our moiety shared amongst them) it is certain, that either half our rents should not be paid, half our commodities not vented, and half our labourers not employed, and so half the trade be clearly lost; or else, that every one of these must receive but half the money for their commodities and labour, they did before, and but half so much as our neighbours do receive, for the same labour, and the same natural product at the same time. Such a state of poverty as this, though it will make no scarcity of our native commodities amongst us, yet it will have these ill consequences.

1. It will make our native commodities vent very cheap.
2. It will make all foreign commodities very dear, both which will keep us poor. For the merchant making silver and gold his measure, and considering what the foreign commodity costs him (*i. e.* how many ounces of silver) in the country where money is more plenty, *i. e.*

cheaper ; and considering too, how many ounces of silver it will yield him in another country ; will not part with it here, but for the same quantity of silver, or as much as that silver will buy here of our commodity, which will be a great deal more than in another place. So that, in all our exchange of native for foreign commodities, we shall pay double the value that any other country does, where money is in greater plenty. This, indeed, will make a dearness, and, in time, a scarcity of foreign commodities ; which is not the worst inconveniency that it brings upon us, supposing them not absolutely necessary. But,

3. It endangers the drawing away our people, both handicrafts, mariners, and soldiers ; who are apt to go, where their pay is best, which will always be where there is greatest plenty of money, and in time of war must needs bring great distress.

21. Upon this measure too it is, that the variation of exchange of money, between several countries, does somewhat depend. For it is certain, that one ounce of silver is always of equal value to another ounce of silver, considered in its intrinsick worth, or in reference to the universal trade of the world : but it is not of the same value, at the same time, in several parts of the world, but is of the most worth in that country, where there is the least money, in proportion to its trade : and therefore, men may afford to give twenty ounces of silver in one place, to receive eighteen or nineteen ounces of silver in another. But this is not all : to this then, (to find out the alteration of the exchange) the over-balance of the trade must be taken into consideration. These two together regulate the exchange, in all the commerce of the world, and, in both, the higher rate of exchange depends upon one and the same thing, viz. the greater plenty of money in one country than in the other : only with this difference, that where the over-balance of trade raises the exchange above the par, there it is the plenty of money which private merchants have in one country, which they desire to remove into another ; but, where the riches of the country raises the exchange above the par, there it is the plenty of the money in the whole country. In one, the merchant has more money (or debts, which is all one) in a foreign country, than his trade there will employ, and so is willing to allow upon exchange to him abroad, and that shall pay him ready money at home, 1, 2, 3, &c. per cent. more or less, proportionably as his, or his countrymen's plenty of ready money abroad, the danger of leaving it there, or the difficulty of bringing it home in specie, and his present need of money at home, is greater or less : in the other, the whole country has more money, than can well be employed in the trade thereof, or at least the proportion of the money to the trade is greater than in the neighbouring country, where the exchange is below the par.

For, supposing the balance of trade to be equal between England and Holland, but that there is in Holland a greater plenty of money

then in England, (which will appear by the lowness of the natural use in Holland, and the height of the natural use in England; and also by the dearth of food and labour in general in Holland, and the cheapness of it in England.) If N. has £10,000 in Holland, which the greater advantage he could make of it in England, either by use or purchase, tempts him to transfer into England, it is probable he will give as much to a merchant in England, to pay him £10,000 in England, as the insurance at that time between Holland and England is worth. If this happens to be in a country, where the exportation of bullion is prohibited, he must pay the more: because his venture, if he carry it in specie, will be greater. And upon this ground, perhaps, the prohibiting the exportation of money out of England, under penalties, may be of some use, by making the rate of the exchange greater to those countries, which import upon us more than they export in commodities; and so retain some part of the money, which their over-balance of trade would carry away from us, though, after all, if we are over-balanced in trade, it must go.

But, since the Holland merchant cannot receive N's £10,000 in money in Holland, and pay him £10,000 in England, unless his over-balance of trade make Englishmen indebted to him £10,000 in money, which he is not like to take in commodities; I think the over-balance of trade is that, which chiefly raises the exchange in any country, and that plenty of money, in any country, does it only for so much of the money as is transferred, either to be lett out to use, or to be spent there. And, though, lending to foreigners, upon use, doth not at all alter the balance of trade, between those countries, yet it does alter the exchange between those countries for so much as is lent upon use, by not calling away the money, that should follow the over-balance of trade, but letting it rest there, as if it were accounted for; all one as if the balance of trade were for so much altered. But this being not much, in comparison of the general traffick between two nations, or at least varying slower, the merchant too regulating the exchange, and not the usurer; I suppose it is the present balance of trade, on which the exchange immediately and chiefly depends, unless some accident shall make a great deal of money be remitted at the same time from one place to another, which will for that time raise the exchange all one as an over-balance of trade; and indeed, when examined, is generally very little different from it.

To be able to estimate the par, with the rise and fall of the exchange, it is necessary to know the intrinsick value, *i. e.* how much silver is in the coins of the two countries, by which you reckon and charge the bill of exchange.

Sir, if I have been led a little too far from one thing to another, in the consideration of money, I beg your pardon, hoping that these particulars will afford some light to our present subject.

To return to the price of land. It is evident by what has been above said, that the years purchase of land do not increase with the fall of interest; and the abating that good quality in money, of yielding yearly six per cent. to four, does not presently so sink its value, in respect of land, that one third more is required in exchange: falling of interest from six to four, will not raise land from twenty to thirty years purchase; the rising and falling of the price of land, as of other things, depends much on the quantity of land set to sale, compared with the quantity of money designed for that traffick, or, which amounts to the same thing, upon the number of buyers and sellers. For, where there are many sellers and few purchasers, though interest be lessened, land will be cheap, as I have already shewed. At least, this is certain, that making a law to reduce interest will not raise the price of land; it will only, by driving it more into the banker's hands, leave the country barer of money; whereby, if the price of land about London should be accidentally raised, that of remoter counties would thereby have fewer purchasers, and at lower rates.

This being so, that the low rate of land depends much on the great number of sellers in proportion to purchasers, the next thing to be enquired into, is, What makes plenty of sellers? And to that the answer is obvious, general ill-husbandry, and the consequence of it, debts. If a neglect of government and religion, ill examples, and depraved education, have introduced debauchery; and art, or chance, has made it fashionable for men to live beyond their estates; debts will increase and multiply, and draw with them a necessity on men, first of encumbering, and then selling their estates. This is generally the cause why men part with their land: and I think there is scarce one in an hundred that thinks of selling his patrimony, till mortgages have pretty well eat into the freehold; and the weight of growing debts force a man, whether he will or no, out of his possessions. When almost is there ever a clear and unencumbered estate set to sale? It is seldom a thriving man turns his land into money, to make the greater advantage: the examples of it are so rare, that they are scarce of any consideration in the number of sellers.

This, I think, may be the reason, why in Queen Elizabeth's days (when sobriety, frugality, and industry, brought in daily increase to the growing wealth of the kingdom) land kept up its price, and sold for more years purchase, than corresponded to the interest of money, then busily employed in a thriving trade, which made the natural interest much higher than it is now, as well as the parliament then set it higher by law.

On the contrary side, What makes scarcity of purchasers?

1. The same reason, ill-husbandry. When the tradesman lives up to the height of his income, and the vanity of expenses either drains the merchant's coffers, or keeps them from overflowing, he seldom thinks of purchasing. Buying of land is the result of a full and

satiated gain : and men in trade seldom think of laying out their money upon land, till their profit has brought them in more than their trade can well employ ; and their idle bags, cumbering their counting-houses, put them upon emptying them on a purchase.

2. Another thing that makes a scarcity of buyers of land, are doubtful and ill titles : where these are frequent and fatal, one can no more expect that men, who have money, should be forward to purchase, than ships, richly laden, to venture themselves amongst rocks and quicksands. It is no wonder such seas should not be much frequented, where the examples, and remains of daily wrecks shew the folly and hazard of the venture, in the number of those who have miscarried.

3. A general decay of trade discourages men from purchasing : for this threatens an universal poverty, which is sure to fall first and heaviest upon land. The merchant, who furnishes the improvident landholder, will not fail to have money for his wares with gain, whether the kingdom get by his trade, or no ; and he will keep his money rather employed in trade, which brings him in profit, (for the merchant may get by a trade, that makes the kingdom poor,) than lay it out in land, whose rents he sees sinking, and foresees by the course of trade, is likely to continue to do so. When a nation is running to decay and ruin, the merchant and monied man, do what you can, will be sure to starve last : observe it where you will, the decays that come upon, and bring to ruin any country, do constantly first fall upon the land : and though the country gentleman (who usually securely relies upon so much a year as was given in at his marriage settlement, and thinks his land an unmoveable fund for such an income) be not very forward to think so, yet this, nevertheless, is an undoubted truth, that he is more concerned in trade, and ought to take a greater care, that it be well managed, and preserved, than even the merchant himself. For he will certainly find, when a decay of trade has carried away one part of our money out of the kingdom, and the other is kept in the merchant and tradesman's hands, that no laws he can make, nor any little arts of shifting property amongst ourselves, will bring it back to him again : but his rents will fall, and his income every day lessen, till general industry and frugality, joined to a well-ordered trade, shall restore to the kingdom the riches and wealth it had formerly.

This, by the way, if well-considered, might let us see, that taxes, however contrived, and out of whose hand soever immediately taken, do, in a country, where their great fund is in land, for the most part terminate upon land. Whatsoever the people is chiefly maintained by, that the government supports itself on : nay, perhaps it will be found, that those taxes which seem least to affect land, will most surely of all other fall the rents. This would deserve to be well considered, in the raising of taxes, lest the neglect of it bring upon the country gentleman an evil, which he will be sure quickly to feel, but not be able

very quickly to remedy. For rents once fallen are not easily raised again. A tax laid upon land seems hard to the landholder, because it is so much money going visibly out of his pocket : and therefore, as an ease to himself, the landholder is always forward to lay it upon commodities. But, if he will thoroughly consider it, and examine the effects, he will find he buys this seeming ease at a very dear rate : and, though he pays not this tax immediately out of his own purse, yet his purse will find it by a greater want of money there, at the end of the year, than that comes to, with the lessening of his rents to boot : which is a settled and lasting evil, that will stick upon him beyond the present payment.

To make this clear, let us suppose in the present state of affairs in England, that the rents of England are twelve millions, and that the charge and necessities of the government require a supply of three millions from the parliament, which is laid on land. Here is one fourth part of his yearly income goes immediately out of the landlord's and landholder's pocket. This is a burthen very apt to be felt. The country gentleman, who actually pays the money out of his pocket, or finds it deducted out of his rent at quarter-day for taxes, sees and very sensibly observes what goes thus out of his estate. But though this be a quarter of his yearly income, and out of an estate of four hundred pounds a year, the publick tax now openly takes away one hundred ; yet this influences not at all the yearly rent of the land, which the rack-renter, or under tenant, pays : it being the same thing to him, whether he pays all his rent to the king, or his landlord ; or half, or a quarter, or none at all to the king ; the case is all one to him, what hand receives his rent, when due : so trade flourishes, and his commodities go off well, he will be able to pay his rent on. This lessens not any more the value of his farm, than an high or a low chief rent does, paid out of it to the lord of the fee : the tenant's bargain and profit is the same, whether the land be charged, or not charged, with an annuity payable to another man. We see this in college leases, where though the college tenant pays for it to the college some years five times as much as he does others, upon the varying rate of corn ; yet the under-tenant feels not this alteration in the least, nor finds a reason to have his rent abated, because a greater part of it is diverted from his landlord. All this is but changing the hand that receives the rent, without any influence at all upon the yearly value of the estate ; which will not be lett for one penny more, or less, to the renter, however, or amongst whomsoever, the rent he pays be divided. From hence it is evident, that taxes laid on land do not in the least make rents fall.

But suppose, to shift off the burthen from the land, some country gentleman should think fit to raise these three millions upon commodities, to let the land go free. First, it is to be considered, That since

the publick wants require three millions, (for that we supposed for argument's sake ; let it be three millions, or one million, that is all one ;) and so much must go into the king's coffers, or else the necessities of the government will not be supplied : that for raising these three millions on commodities, and bringing so much into the Exchequer, there must go a great deal more than three millions out of the subjects pockets. For a tax of that nature cannot be levied by officers, to watch every little rivulet of trade, without a great charge, especially at first trial. But supposing no more change in raising it, than of a land tax, and that there are only three millions to be paid, it is evident that to do this out of commodities, they must, to the consumer, be raised a quarter in their price ; so that every thing, to him that uses it, must be a quarter dearer. Let us see now who, at long run, must pay this quarter, and where it will light. It is plain, the merchant and broker, neither will, nor can ; for if he pays a quarter more for commodities than he did, he will sell them at a price proportionably raised. The poor labourer and handicraftsman cannot : for he just lives from hand to mouth already, and all his food, clothing, and utensils, costing a quarter more than they did before, either his wages must rise with the price of things, to make him live, or else, not being able to maintain himself and family by his labour, he comes to the parish, and then the land bears the burthen a heavier way. If the labourer's wages be raised in proportion to the increased rates of things, the farmer who pays a quarter more for wages, as well as all other things, whilst he sells his corn and wool, either at the same rate, or lower, at the market (since the tax laid upon it makes people less forward to buy) must either have his rent abated, or else break and run away in his landlord's debt : and so the yearly value of the land is brought down. And who then pays the tax at the year's end, but the landlord ? when the tenant, not able to raise his rent by his commodities, either runs away in his landlord's debt, or cannot be continued in the farm, without abatement of rent : for, when the yearly charge in his farm is greater by the increase of the labourer's wages, and yet his product sells cheaper by reason of the tax laid on his commodities ; how will the farmer be able to make up his rent at quarter-day ? For this may be worth our notice, that any tax laid on foreign commodities in England, raises its price, and makes the importer get more for his commodity : but, on the contrary, a tax laid on your native product, and home-made commodities, lessens their price, and makes them yield less to the first seller.

The reason whereof is plain. For the merchant importing no commodity, but what the necessity, or fashionable wantonness, of your people gives him vent for, will not only proportion his gain to the cost and risque which he has been at before landing, but will expect profit of his money paid here, for any tax laid on it, and take advantage

from thence to raise his price, above what his tax comes to ; and if he cannot do that, he will trade no more in that commodity. For it being not the product of his farm, he is not tied to bring it to market, if he finds his price not answer his expectation there, but turns himself to other wares, which he finds your markets take off better. A merchant will never continue to trade in wares, which the change of fashion, or humour amongst your people, has made less vendible, though he may be sometimes caught by a sudden alteration. But that seldom happens in the course of trade, so as to influence the great bulk of it. For things of necessity must still be had, and things of fashion will be had, as long as men have money, or credit, whatever rates they cost, and the rather because they are dear. For, it being vanity, not use, that makes the expensive fashion of your people, the emulation, who shall have the finest, that is, the dearest things, not the most convenient, or useful. How many things do we value, or buy, because they come at dear rates from Japan and China, which if they were our own manufacture, or product, common to be had, and for a little money, would be contemned and neglected? Have not several of our own commodities, offered to sale at reasonable rates, been despised, and the very same eagerly bought and bragged off, when sold for French, at a double price? You must not think, therefore, that the raising their price will lessen the vent of fashionable, foreign commodities amongst you, as long as men have any way to purchase them, but rather increase it. French wine is become a modish drink amongst us, and a man is ashamed to entertain his friend, or almost to dine himself without it. The price is in the memory of man raised from 6d. to 2s., and does this hinder the drinking of it? No, quite the contrary : a man's way of living is commended, because he will give any rate for it : and a man will give any rate rather than pass for a poor wretch, or a penurious curmudgeon, that is not able, or knows not how to live well, nor use his friends civilly. Fashion is, for the most part, nothing but the ostentation of riches, and therefore the high price of what serves to that, rather increases than lessens its vent. The contest and glory is in the expence, not the usefulness of it ; and people are then thought and said to live well, when they can make a shew of rare and foreign things, and such as their neighbours cannot go to the price of.

Thus we see how foreign commodities fall not in their price, by taxes laid on them, because the merchant is not necessitated to bring to your market any but fashionable commodities, and those go off the better for their high rate. But, on the contrary, your landholder being forced to bring his commodities to market, such as his land and industry affords him, common and known things, he must sell them there at such price as he can get. This the buyer knows ; and these home-bred commodities being seldom the favourites of your people, or any farther

acceptable, than as great conveniency recommends them to the vulgar, or downright necessity to all; as soon as a tax is laid on them, every one makes as sparing a use of them as he can, that he may save his money for other necessary or creditable expences. Thus the price, which our native commodities yield the first seller, is mightily abated, and the yearly value of the land, which produces them, lessened.

If, therefore, the laying of taxes upon commodities does, as it is evident, affect the land that is out at rack-rent, it is plain it does equally affect all the other land in England too, and the gentry will, but the worst way, increase their own charges, that is, by lessening the yearly value of their estates, if they hope to ease their land, by charging commodities. It is in vain, in a country whose great fund is land, to hope to lay the publick charge of the government on any thing else; there at last it will terminate. The merchant (do what you can) will not bear it, the labourer cannot, and therefore the householder must: and whether he were best do it, by laying it directly where it will at last settle, or by letting it come to him by the sinking of his rents, which when they are once fallen, every one knows are not easily raised again, let him consider.

Holland is brought as an instance of laying the charge of the publick upon trade, and it is possible (excepting some few small free towns) the only place in the world that could be brought to favour this way. But yet, when examined, will be found to shew the quite contrary, and be a clear proof, that lay the taxes how you will, land every where, in proportion, bears the greater share of the burthen. The publick charge of the government, it is said, is, in the United Provinces, laid on trade. I grant it is, the greatest part of it; but is the land excused, or eased by it? By no means: but, on the contrary, so loaded, that in many places half, in others a quarter, in others one eighth of the yearly value does not come into the owner's pocket: and if I have not been misinformed, the land in some places will not pay the taxes: so that we may say, that the charge of the government came not upon commodities, till the land could not bear it. The burthen unavoidably settles upon the land first, and when it has pressed it so, that it can yield no more, trade must be brought in aid, to help to support the government rather than let all sink: but the first stress is always upon land, and as far as that will reach, it is unavoidably carried, lay your taxes how you will. It is known what a share of the publick charges of the government is supported by the trade of Amsterdam alone; as I remember that one town pays thirty-six in the hundred of all the publick taxes raised in the United Provinces. But are lands of Guelderland eased by it? Let any one see, in that country of land more than trade, what they make clear of their revenues, and whether the country gentlemen there grow rich on their land, whilst the merchant, having the taxes laid on his commerce, is impoverished?

On the contrary, Guelderland is so low and out of cash, that Amsterdam has been fain, for many years, to lay down the taxes for them; which is, in effect, to pay the taxes of Guelderland too.

Struggle and contrive as you will, lay your taxes as you please, the traders will shift it off from their own gain; the merchants will bear the least part of it, and grow poor last. In Holland itself, where trade is so loaded, who, I pray, grows richest, the landholder, or the trader? Which of them is pinched, and wants money most? A country may thrive, the country gentleman grow rich, and his rents increase (for so it has been here) whilst the land is taxed: but I challenge any one to shew me a country, wherein there is any considerable publick charge raised, where the land does not most sensibly feel it, and, in proportion, bear much the greater part of it.

We must not, therefore, impute the falling of the rents, or of the price of land, to high interest; nor, if ill husbandry has wasted our riches, hope by such kind of laws to raise them to their former value. I humbly conceive we shall in vain endeavour it, by the fall of interest. The number of buyers must be increased, and sellers lessened, which must be done by other ways, than regulating of interest, or else the landed man will neither find chapmen for his land, nor for the corn that grows on it, at the rate he desires.

But, could an act of parliament bring down interest to four per cent. and the lowering of that immediately raise the purchaser's fine from 20 to 25 years purchase; yet it may be doubted, whether this be fit to be made into a law, because it would be of no advantage to the kingdom. For what profit would it be to the nation to make a law, that he who sells land, should instead of four have five hundred pounds of the purchaser? This, indeed, a little alters the distribution of the money we have amongst us Englishmen here at home, but neither helps to continue what we have, nor brings in more from abroad; which, being the only concernment of the kingdom, in reference to its wealth, is apt to be supposed by us without doors to be the only care of a parliament. For it matters not, so it be here amongst us, whether the money be in Thomas, or Richard's hands, provided it be so ordered, that whoever has it may be encouraged to let it go into the current of trade, for the improvement of the general stock and wealth of the nation.

As this increase of the fine, in the purchase of land, is not an advantage to the kingdom; so neither is it to the landholder, who is the person, that bearing the greatest part of the burthens of the kingdom, ought, I think, to have the greatest care taken of him, and enjoy as many privileges, and as much wealth, as the favour of the law can (with regard to the publick-weal) confer upon him. But pray consider: the raising the price of land in sale, by increasing the number of years purchase to be paid for it, gives the advantage, not to the landholder, but to him that ceases to be so. He that has no longer

the land, has the more money : and he, who has the land, is the poorer. The true advantage of the landholder is, that his corn, flesh, and wooll, sell better, and yield a greater price ; this, indeed, is a profit that benefits the owner of the land, and goes along with it ; it is this alone that raises the rent, and makes the possessor richer : and this can only be done by increasing our wealth, and drawing more money into England. Which the falling of interest, and thereby (if it could effect it) raising the purchase of land, is so far from doing, that it does visibly and directly one way hinder our increase of wealth, that is, by hindering foreigners to come here, and buy land, and settle amongst us. Whereby we have this double loss ; first, we lose their persons, increase of people being the increase both of strength and riches. Secondly, we lose so much money ; for, though whatever an Englishman gives to another for land, though raised to forty years purchase, be not one farthing advantage to the kingdom : yet whatever a foreigner, who purchases land here, gives for it, is so much every farthing clear gain to the nation : for that money comes clear in, without carrying out any thing for it, and is every farthing of it as perfect gain to the nation, as if it dropped down from the clouds.

But farther, if consideration be to be had only of sellers of land, the lowering of interest to four per cent. will not be in their favour, unless by it you can raise land to thirty years purchase, which is not at all likely : and I think nobody, by falling of interest to four per cent. hopes to get chapmen for their land at that rate. Whatsoever they have less, if law can regulate interest, they lose of their value of land, money being thus abased. So that the landedman will scarce find his account neither, by this law, when it comes to trial. And at last, I imagine, this will be the result of all such attempts, that experience will shew that the price of things will not be regulated by laws, though the endeavours after it will be sure to prejudice and inconvenience trade, and put your affairs out of order.

If this be so, that interest cannot be regulated by law, or that if it could, yet the reducing of it to four per cent. would do more harm than good : what then should there (you will say) be no law at all to regulate interest ? I say not so. For,

1. It is necessary that there should be a stated rate of interest, and in debts and forbearances, where contract has not settled it between the parties, the law might give a rule, and courts of judicature might know what damages to allow. This may, and therefore should, be regulated.

2. That in the present current of running cash, which now takes its course almost all to London, and is ingrossed by a very few hands in comparison, young men, and those in want, might not too easily be exposed to extortion and oppression ; and the dextrous and combining money-jobbers not have too great and unbounded a power to prey

upon the ignorance, or necessity of borrowers. There would not be much danger of this, if money were more equally distributed into the several quarters of England, and into a greater number of hands, according to the exigencies of trade.

If money were to be hired, as land is; or to be had as corn, or wooll, from the owner himself, and known good security be given for it, it might then probably be had at the market (which is the true) rate, and that rate of interest would be a constant gauge of your trade and wealth. But, when a kind of monopoly, by consent, has put this general commodity into a few hands, it may need regulation, though what the stated rate of interest should be, in the constant change of affairs, and flux of money, is hard to determine. Possibly it may be allowed, as a reasonable proposal, that it should be within such bounds, as should not, on the one side, quite eat up the merchant's and tradesmen's profit, and discourage their industry; nor, on the other hand, so low, as should hinder men from risking their money in other men's hands, and so rather chuse to keep it out of trade, than venture it upon so small profit. When it is too high, it so hinders the merchant's gain, that he will not borrow; when too low, it so hinders the monied-man's profit, that he will not lend; and both these ways it is an hindrance to trade.

But this being, perhaps, too general and loose a rule, let me add, that if one would consider money and land alone, in relation one to another, perhaps it is now at six per cent. in as good a proportion as is possible; six per cent. being a little higher than land at twenty years purchase, which is the rate pretty near, that land has generally carried in England, it never being much over, nor under. For supposing £100 in money, and land of £5 per ann. be of equal value, which is land at twenty years purchase; it is necessary for the making their value truly equal, that they should produce an equal income, which the £100 at £5 per cent. interest is not likely to do.

1. Because of the many, and sometimes long intervals of barrenness, which happen to money more than land. Money at use, when returned into the hands of the owner, usually lies dead there, till he gets a new tenant for it, and can put it out again; and all this time it produces nothing. But this happens not to land, the growing product whereof turns to account to the owner, even when it is in his hands, or is allowed for by the tenant, antecedently to his entering upon the farm. For though a man, that borrows money at Midsummer, never begins to pay his interest from our Lady-day, or one moment backwards; yet he, who rents a farm at Midsummer, may have as much reason to begin his rent from our Lady-day, as if he had entered upon it at that term.

2. Besides the dead intervals of ceasing profit, which happen to money more than land, there is another reason why the profit and

income of money lett out, should be a little higher than that of land; and that is, because money out at interest, runs a greater risque than land does. The borrower may break, and run away with the money, and then not only the interest due, but all the future profit, with the principal, is lost for ever. But in land a man can lose but the rent due, for which usually too the stock upon the land is sufficient security: and, if a tenant run away in arrear of some rent, the land remains; that cannot be carried away or lost. Should a man purchase good land in Middlesex of £5 per ann. at twenty years purchase, and other land in Rumney-marsh, or elsewhere, of the same yearly value, but so situated, that it were in danger to be swallowed of the sea, and be utterly lost, it would not be unreasonable, that he should expect to have it under twenty years purchase; suppose sixteen and an half; this is to bring it to just the case of land at twenty years purchase and money at six per cent. where the uncertainty of securing one's money may well be allowed that advantage of greater profit; and therefore, perhaps, the legal interest now in England at six per cent. is as reasonable and convenient a rate as can well be set by a standing rule, especially if we consider that the law requires not a man to pay six per cent. but ties up the lender from taking more. So that if ever it falls of itself, the monied-man is sure to find it, and his interest will be brought down to it.

High interest is thought by some a prejudice to trade: but if we look back, we shall find, that England never throve so well, nor was there ever brought into England so great an increase of wealth since, as in queen Elizabeth's and king James I. and king Charles I. time, when money was at ten and eight per cent. I will not say high interest was the cause of it. For I rather think that our thriving trade was the cause of high interest, every one craving money to employ in a profitable commerce. But this, I think, I may reasonably infer from it, that the lowering of interest is not a sure way to improve either our trade or our wealth.

To this I hear some say, That the Dutch, skilful in all arts of promoting trade, to out-do us in this, as well as all other advancements of it, have observed this rule, viz., That when we sell interest in England from ten to eight, they presently sunk interest in Holland to four per cent. And again, when we lowered it to six, they fell it to three per cent. thereby to keep the advantage, which the lowness of interest gives to trade. From whence these men readily conclude, That the falling of interest will advance trade in England. To which I answer,

1. That this looks like an argument rather made for the present occasion, to mislead those who are credulous enough to swallow it, than arising from true reason, and matter of fact. For, if lowering of interest were so advantageous to trade, why did the Dutch so constantly take their measures only by us, and not as well by some other

of their neighbours, with whom they have as great, or greater commerce than with us? This is enough, at first sight, to make one suspect this to be dust, only raised to throw in people's eyes, and a suggestion made to serve a purpose. For,

2. It will not be found true, That when we abated interest here in England to eight, the Dutch sunk it in Holland to four per cent. by law; or that there was any law made in Holland to limit the rate of interest to three per cent. when we reduced it in England to six. It is true, John de Witt, when he managed the affairs of Holland, setting himself to lessen the publick debts, and having actually paid some, and getting money in readiness to pay others, sent notice to all the creditors, that those, who would not take four per cent. should come and receive their money. The creditors finding him in earnest, and knowing not how otherwise to employ their money, accepted his terms, and changed their obligations into four per cent. whereas before they were at five, and so (the great loans of the country being to the state) it might be said in this sense, That the rate of interest was reduced lower at that time; but that it was done by a law, forbidding to take higher interest than four per cent. that I deny, and require any one to shew. Indeed, upon good security, one might lately have borrowed money in Holland at three, and three and an half per cent. but not by virtue of any law, but the natural rate of interest. And I appeal to the men, learned in the law of Holland, whether last year (and I doubt not but it is so still), a man might not lawfully lend his money for what interest he could get, and whether in the courts he should not recover the interest he contracted for, if it were ten per cent. So that, if money be to be borrowed by honest and responsible men, at three, or three and an half per cent. it is not by the force of statutes and edicts, but by the natural course of things; which will always bring interest upon good security low, where there is a great deal of money to be lent, and little good security, in proportion, to be had. Holland is a country, where the land makes a very little part of the stock of the country. Trade is their great fund; and their estates lie generally in money: so that all, who are not traders, generally speaking, are lenders: of which there are so many, whose income depends upon interest, that if the States were not mightily in debt, but paid every one their principal, instead of the four per cent. use, which they give, there would be so much more money than could be used, or would be ventured in trade, that money there would be at two per cent. or under, unless they found a way to put it out in foreign countries.

Interest, I grant these men, is low in Holland: but it is so, not as an effect of law, or the politick contrivance of the government, to promote trade; but as the consequence of great plenty of ready money, when their interest first fell. I say, when it first fell: for being once brought low, and the publick having borrowed a great part of private

men's money, and continuing in debt, it must continue so, though the plenty of money, which first brought interest low, were very much decayed, and a great part of their wealth were really gone. For the debt of the state affording to the creditors a constant yearly income, that is looked on as a safe revenue, and accounted as valuable as if it were in land; and accordingly they buy it one of another: and whether there be any money in the publick coffers or no, he, who has to the value of £10,000 owing him from the States, may sell it every day in the week, and have ready money for it: this credit is so great an advantage to private men, who know not else what to do with their stocks, that, were the States now in a condition to begin to pay their debts, the creditors, rather than take their money out, to lie dead by them, would let it stay in, at lower interest, as they did some years since, when they were called on to come and receive their money. This is the state of interest in Holland: their plenty of money, and paying their publick debts, some time since lowered their interest. But it was not done by the command and limitation of a law, nor in consequence of our reducing it here by law to six per cent. For I deny, that there is any law there yet, to forbid lending of money for above three, or six, or ten per cent. Whatever some here suggest, every one there may hire out his money, as freely as he does anything else, for what rate he can get; and the bargain being made, the law will enforce the borrower to pay it.

I grant low interest, where all men consent to it, is an advantage to trade, if merchants will regulate their gains accordingly, and men be persuaded to lend to them; but can it be expected, when the publick gives seven or eight, or ten per cent. that private men, whose security is certainly no better, shall have for four? And can there be any thing stranger, than that the same men, who look on, and therefore allow high use as an encouragement to lending to the Chequer, should think low use should bring money into trade? The States of Holland, some few years since, paid but four per cent. for the money they owed: if you propose them for an example, and interest be to be regulated by a law, try whether you can do so here, and bring men to lend it to the publick at that rate. This would be a benefit to the kingdom, and abate a great part of our publick charge. If you cannot do that, confess, that it is not the law in Holland has brought the interest there so low, but something else, and that which will make the States, or any body else, pay dearer now, if either their credit be less, or their money there be scarcer.

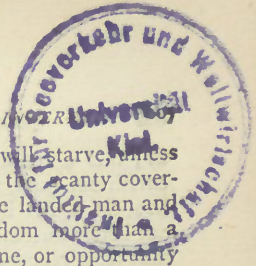
An infallible sign of your decay of wealth is the falling of rents, and the raising of them would be worth the nation's care, for in that, and not in the falling of interest, lies the true advantage of the landed-man, and with him of the publick. It may be therefore, not besides our present business, to enquire into the cause of the falling of rents in England.

1. Either the land is grown barrenner, and so the product is less, and consequently the money to be received for that product is less. For it is evident; that he whose land was wont to produce 100 bushels of wheat, *communibus annis*, if by long tillage and husbandry it will now produce but 50 bushels, the rent will be abated half. But this cannot be supposed general.

2. Or the rent of that land is lessened. 1. Because the use of the commodity ceases: as the rent must fall in Virginia, were taking of tobacco forbid in England. 2. Or because something else supplies the room of that product: as the rate of coppice lands will fall upon the discovery of coal mines. 3. Or, because the markets are supplied with the same commodity cheaper from another place: as the breeding counties of England must needs fall their rents, by the importation of Irish cattle. 4. Or, because a tax laid on your native commodities, make what the farmer sells cheaper; and labour, and what he buys, dearer.

3. Or, the money in the country is less. For the exigencies and uses of money not lessening with its quantity, and it being in the same proportion to be employed and distributed still, in all the parts of its circulation, so much as its quantity is lessened, so much must the share of every one that has a right to this money be the less; whether he be the landholder, for his goods; or labourer, for his hire; or merchant, for his brokerage. Though the landholder usually finds it first. Because money failing, and falling short, people have not so much money as formerly to lay out, and so less money is brought to market, by which the price of things must necessarily fall. The labourer feels it next. For, when the landholder's rent falls, he must either bate the labourer's wages, or not employ, or not pay him; which either way makes him feel the want of money. The merchant feels it last. For though he sells less, and at a lower rate, he buys also our native commodities, which he exports at a lower rate too: and will be sure to leave our native commodities unbought, upon the hands of the farmer, or manufacturer, rather than export them to a market, which will not afford him returns with profit.

If one-third of the money employed in trade, were locked up, or gone out of England, must not the landholders necessarily receive one third less for their goods, and consequently rents fall; a less quantity of money by one third being to be distributed amongst an equal number of receivers? Indeed, people not perceiving the money to be gone, are apt to be jealous one of another; and each suspecting another's inequality of gain to rob him of his share, every one will be employing his skill, and power, the best he can, to retrieve it again, and to bring money into his pocket, in the same plenty as formerly. But this is but scrambling amongst ourselves, and helps no more against our want, than the pulling off a short coverlet will, amongst children that lie



together, preserve them all from the cold. Some will starve, unless the father of the family provide better, and enlarge the scanty covering. This pulling and contest is usually between the landed-man and the merchant. For the labourer's share, being seldom more than a bare subsistence, never allows that body of men, time, or opportunity to raise their thoughts above that, or struggle with the richer for theirs (as one common interest) unless when some common and great distress, uniting them in one universal ferment, makes them forget respect, and emboldens them to crave their wants with armed force: and then sometimes they break in upon the rich, and sweep all like a deluge. But this rarely happens but in the male-administration of neglected, or mismanaged government.

The usual struggle and contest, as I said before, in the decays of wealth and riches, is between the landed-man, and the merchant, with whom I may here join the monied-man. The landed-man finds himself aggrieved, by the falling of his rents, and the streightening of his fortune, whilst the monied-man keeps up his gain, and the merchant thrives and grows rich by trade. These, he thinks, steal his income into their pockets, build their fortunes upon his ruin, and ingross more of the riches of the nation than comes to their share. He, therefore, endeavours, by laws, to keep up the value of lands which he suspects lessened by the other's excess of profit: but all in vain. The cause is mistaken, and the remedy too. It is not the merchant's nor monied-man's gains that makes land fall: but the want of money and lessening of our treasure, wasted by extravagant expences, and a mismanaged trade, which the land always first feels. If the landed-gentleman will have, and by his example make it fashionable to have, more claret, spice, silk, and other foreign consumable wares, than our exportation of commodities does exchange for; money must unavoidably follow to balance the account, and pay the debt. And therefore, I fear that another proposal I hear talked of, to hinder the exportation of money and bullion, will shew more our need of care to keep our money from going from us, than a way and method how to preserve it here.

It is death in Spain to export money: and yet they, who furnish all the world with gold and silver, have least of it amongst themselves. Trade fetches it away from that lazy and indigent people, notwithstanding all their artificial and forced contrivances to keep it there. It follows trade, against the rigour of their laws; and their want of foreign commodities makes it openly be carried out at noon-day. Nature has bestowed mines on several parts of the world: but their riches are only for the industrious and frugal. Whomsoever else they visit, it is with the diligent and sober only they stay. And if the virtue and provident way of living of our ancestors (content with our native conveniences of life, without the costly itch after the materials of pride and luxury from abroad) were brought in fashion and countenance again amongst:

us; this alone would do more to keep and increase our wealth, and enrich our land, than all our paper helps, about interest, money, bullion, &c. which however eagerly we may catch at, will not, I fear, without better husbandry, keep us from sinking, whatever contrivances we may have recourse to. It is with a kingdom as with a family. Spending less than our own commodities will pay for, is the sure and only way for the nation to grow rich. And when that begins once seriously to be considered, and our faces and steps are in earnest turned that way, we may hope to have our rents rise, and the publick stock thrive again. Till then, we in vain, I fear, endeavour with noise, and weapons of law, to drive the wolf from our own to one another's doors: the breed ought to be extirpated out of the island. For want, brought in by ill-management, and nursed up by expensive vanity, will make the nation poor and spare nobody.

If three millions were necessary for the carrying on the trade of England, whereof one million were for the landholder to maintain him; another were for the payment of the labourer and handicraftsman: and the third were the share of the brokers, coming to them for their care and pains in distributing; if one million of this money were gone out of the kingdom, must there not be one-third less to be shared amongst them for the product of their land, their labour and their distribution? I do not say they will feel it at the same time. But the landholder having nothing, but what the product of his land will yield; and the buyer, according to the plenty, or scarcity of money he has, always setting the price upon what is offered to sale; the landholder must be content to take the market-rate for what he brings thither; which always following the scarcity or plenty of money, if any part of our money be gone, he is sure first to find it in the price of his commodities. For the broker and merchant, though he sell cheaper, yet he buys cheaper too: and he will be sure to get by his returns, or let alone a commodity, which will not produce him gain; and whatsoever is so alone, and left upon hands, always turns to the landholder's loss.

Supposing that of our woollen manufacture, foreign markets took off one half, and the other half were consumed amongst ourselves: if a sensible part (as one-third) of our coin were gone, and so men had equally one-third less money than they had, (for it is certain, it must be tantamount, and what I escape of one-third less, another must make up) it would follow, that they would have less to lay out in cloaths, as well as other things, and so would wear them longer, or pay less for them. If a clothier finds a want of vent, he must either sell cheaper, or not at all; if he sell cheaper, he must also pay less, both for wool and labour; and if the labourer hath less wages, he must also pay less, for corn, butter, cheese, flesh, or else forbear some of these quite. In all which cases, the price of wool, corn, flesh, and the other products

of land are brought down, and the land bears the greatest part of the loss. For wherever the consumption, or vent of any commodity is stopt, there the stop continues on, till it comes to the landholder. And, wherever the price of any commodity begins to fall, how many hands soever there be between that and the landholder, they all take reprisals one upon another, till at last it comes to the landholder, and there the abatement of price, of any of his commodities, lessens his income, and is a clear loss. The owner of land, which produces the commodity, and the last buyer who consumes it, are the two extremes in commerce. And though the falling of any sort of commodity in the landholder's hand does not prove so to the last consumer, the arts of intervening brokers and ingrossers keeping up the price to their own advantage, yet, whenever want of money, or want of desire in the consumer, make the price low, that immediately reaches the first producer: nobody between having any interest to keep it up.

Now as to the two first causes of falling of rents, falling of interest has no influence at all. In the latter it has a great part, because it makes the money of England less, by making both Englishmen and foreigners withdraw, or withhold their money. For that which is not let loose into trade, is all one whilst hoarded up, as if it were not in being.

I have heard it brought for a reason, why interest should be reduced to four per cent. 'That thereby the landholder who bears the burden of the public charge, may be in some degree eased by the falling of interest.'

This argument will be put right, if you say it will ease the borrower, and lay the loss on the lender: but it concerns not the land in general, unless you will suppose all landholders in debt. But I hope we may yet think that men in England, who have land, have money too; and that landed-men, as well as others, by their providence and good husbandry, accommodating their expenses to their income, keep themselves from going backward in the world.

That which is urged, as most deserving consideration and remedy in the case is, 'That it is hard and unreasonable, that one, who has mortgaged half his land, should yet pay taxes for the whole, whilst the mortgagee goes away with the clear profit of an high interest.' To this I answer:

I. That, if any man has run himself in debt for the service of his country, it is fit the publick should reimburse him, and set him free. This is a care that becomes the publick justice, That men, if they receive no rewards, should at least be kept from suffering, in having served their country. But I do not remember the polity of any nation, who altered their constitution in favour of those, whose mismanagement had brought them behind-hand; possibly, as thinking the publick little beholden to those, who had misemployed the stock

of their country in the excess of their private expences, and, by their example, spread a fashion, that carries ruin with it. Men's paying taxes of mortgaged lands, is a punishment for ill-husbandry, which ought to be discouraged: but it concerns very little the frugal and the thrifty.

2. Another thing to be said in reply to this, is, That it is with gentlemen in the country, as with tradesmen in the city. If they will own titles to greater estates than really they have, it is their own faults, and there is no way left to help them from paying for them. The remedy is in their own hands, to discharge themselves when they please. And when they have once sold their land, and paid their debts, they will no longer pay taxes for what they own, without being really theirs. There is another way also, whereby they may be relieved, as well as a great many other inconveniencies remedied; and that is by a registry: for if the mortgages were registered, land-taxes might reach them, and order the lender to pay his proportion.

I have met with patrons of four per cent. who (amongst many other fine things they tell us of) affirm, 'That if interest were reduced to four per cent., then some men would borrow money at this low rate, and pay their debts; others would borrow more than they now do, and improve their land; others would borrow more, and employ it in trade and manufacture.' Gilded words, indeed, were there anything substantial in them! These men talk, as if they meant to shew us, not only the wisdom, but the riches of Solomon, and would make gold and silver as common as stones in the street: but at last, I fear, it will be but wit without money, and I wish it amount to that. It is without question, that could the countryman and the tradesman take up money cheaper than now they do, every man would be forward to borrow, and desire that he might have other men's money to employ to his advantage. I confess, those who contend for four per cent. have found out a way to set men's mouths a watering for money at that rate, and to increase the number of borrowers in England; if any body can imagine it would be an advantage to increase them. But to answer all their fine projects, I have but this one short question to ask them: will four per cent. increase the number of the lenders? If it will not, as any man at the very first hearing will shrewdly suspect it will not, then all the plenty of money, these conjurers bestow upon us, for improvement of land, paying of debts, and advancement of trade, is but like the gold and silver, which old women believe other conjurers bestow sometimes, by whole lapsfuls, on poor credulous girls, which, when they bring to the light, is found to be nothing but withered leaves; and the possessors of it are still as much in want of money as ever.

Indeed, I grant it would be well for England, and I wish it were so, that the plenty of money were so great amongst us, that every man

could borrow, as much as he could use in trade, for four per cent., nay, that men could borrow as much as they could employ for six per cent. But even at that rate, the borrowers already are far more than the lenders. Why else doth the merchant, upon occasion, pay six per cent., and often above that rate, for brokage? And why doth the country gentleman of £1000 per ann. find it so difficult, with all the security he can bring, to take up £1000. All which proceeds from the scarcity of money, and bad security; two causes which will not be less powerful, to hinder borrowing, after the lowering of interest; and I do not see how any one can imagine that reducing use to four per cent. should abate their force, or how lessening the reward of the lender, without diminishing his risque, should make him more forward and ready to lend. So that these men, whilst they talk, that at four per cent. men would take up and employ more money to the publick advantage, do but pretend to multiply the number of borrowers among us, of which it is certain we have too many already. While they thus set men a longing for the golden days of four per cent. methinks they use the poor indigent debtor, and needy tradesman, as I have seen prating jackdaws do sometimes their young, who, kawing and fluttering about the nest, set all their young ones a gaping; but, having nothing in their empty mouths but noise and air, leave them as hungry as they were before.

It is true, these men have found out by a cunning project, how, by the restraint of a law, to make the price of money one third cheaper, and then they tell John a Nokes that he shall have £10,000 of it to employ in merchandise, or cloathing; and John a Stiles shall have £20,000 more to pay his debts; and so distribute this money as freely as Diego did his legacies, which they are to have, even where they can get them. But still these men can instruct the forward borrowers, where they shall be furnished, they have perhaps done something to increase men's desire, but not made money one jot easier to come by. And, till they do that, all this sweet jingling of money in their discourses, goes just to the tune of, 'If all the world were oatmeal.' Methink these undertakers, whilst they have put men in hopes of borrowing more plentifully, at easier rates, for the supply of their wants and trades, had done better to have bethought themselves of a way how men need not borrow upon use at all: for this would be much more advantageous, and altogether as feasible. It is as easy to distribute twenty pair of shoes amongst thirty men, if they pay nothing for them at all, as if they paid 4s. a pair; ten of them (notwithstanding the statute-rate should be reduced from 6s. to 4s. a pair) will be necessitated to sit still barefoot, as much as if they were to pay nothing for shoes at all. Just so is it in a country, that wants money in proportion to trade. It is as easy to contrive how every man shall be supplied with what money he needs (*i.e.* can employ in

improvement of land, paying his debts, and returns of his trade) for nothing, as for four per cent. Either we have already more money than the owners will lend, or we have not. If part of the money which is now in England, will not be lent at the rate interest is at present at, will men be more ready to lend, and borrowers be furnished for all those brave purposes, more plentifully, when money is brought to four per cent.? If people do already lend all the money they have, above their own occasions, whence are those, who will borrow more at four per cent., to be supplied? Or is there such plenty of money, and scarcity of borrowers, that there needs the reducing of interest to four per cent. to bring men to take it?

All the imaginable ways of increasing money in any country, are these two: either to dig it in the mines of our own, or get it from our neighbours. That four per cent. is not of the nature of the deusing-rod, or *virgula divina*, able to discover mines of gold and silver, I believe will easily be granted me. The way of getting from foreigners, is either by force, borrowing, or trade. And whatever ways, besides these, men may fancy, or propose, for increasing of money, (except they intend to set up for the philosopher's stone) would be much the same with a distracted man's device, that I knew, who, in the beginning of his distemper, first discovered himself to be out of his wits, by getting together and boiling a great number of groats, with a design, as he said, to make them plim, *i.e.* grow thicker. That four per cent. will raise armies, discipline soldiers, and make men valiant, and fitter to conquer countries, and enrich themselves with the spoils, I think was never pretended. And that it will not bring in more of our neighbour's money upon loan, than we have at present amongst us, is so visible in itself, that it will not need any proof; the contenders for four per cent. looking upon it as an undeniable truth, and making use of it as an argument, to shew the advantage it will be to the nation, by lessening the use paid to foreigners, who upon falling of use will take home their money. And, for the last way of increasing our money, by promoting of trade, how much lowering of interest is the way to that, I have, I suppose, shewed you already.

Having lately met with a little tract, entituled, 'A Letter to a friend concerning usury,' printed this present year, 1690; which gives in short, the arguments of some treatises printed many years since, for the lowering of interest; it may not be amiss consider them.

'1. An high interest decays trade. The advantage from interest is greater than the profit from trade, which makes the rich merchants give over, and put out their stock to interest, and the lesser merchants break.'

Ans. This was printed in 1621, when interest was at ten per cent. And whether England had ever a more flourishing trade than at that

time, must be left to the judgment of those, who have considered the growing strength and riches of this kingdom in Queen Elizabeth's and King James I.'s reigns. Not that I impute it to high interest, but to other causes I have mentioned, wherein usury had nothing to do. But if this be thought an argument now in 1690, when the legal interest is six per cent., I desire those, who think fit to make use of it, to name those rich merchants, who have given over, and put out their stocks to interest.

2. 'Interest being at ten per cent. and in Holland at six, our neighbour merchants undersell us.'

Answ. The legal interest being here now at six per cent., and in Holland not limited by law, our neighbour merchants undersell us, because they live more frugally, and are content with less profit.

3. 'Interest being lower in Holland than in England, their contributions to war, works of piety, and all charges of the state, are cheaper to them than to us.'

Answ. This needs a little explication. Contributions, greater or less, I understand: but contributions cheaper or dearer, I confess I do not. If they manage their wars and charges cheaper than we, the blame is not to be laid on high or low interest.

4. 'Interest being so high, prevents the building of shipping, which is the strength and safety of our island, most merchant-ships being built in Holland.'

Answ. Though this argument be now gone, such ships being prohibited by a law, I will help the author to one as good. The Dutch buy our rape-seed, make it into oil, bring it back to us, and sell it with advantage. This may be as well said to be from high interest here, and low there. But the truth is, the industry and frugality of that people, makes them content to work cheaper, and sell at less profit than their neighbours, and so get the trade from them.

5. 'The high rate of usury makes land sell so cheap, being not worth more than fourteen or fifteen years purchase; whereas in Holland, where interest is at six, it is worth above twenty-five. So that a low interest raises the price of land. Where money is dear, land is cheap.'

Answ. This argument plainly confesses, that there is something else regulates the price of land, besides the rate of interest; else, when money was at ten per cent. here, should land have been at ten years purchase, whereas he confesses it then to have been at fourteen or fifteen. One may suppose, to favour his hypothesis, he was not forward to speak the most of it. And interest, as he says, being at six per cent. in Holland, land there should have sold, by that rule, for sixteen and an half years purchase; whereas he says, it was worth about twenty-five. And Mr. Manly says, p. 33, 'That money in France being at seven per cent., noble land sells for thirty-four and thirty-five

years purchase, and ordinary land for twenty-five.' So that the true conclusion from hence is, not what our author makes, but this; That it is not the legal interest, but something else, that governs the rate of land. I grant his position, That where money is dear, land is cheap, and *vice versâ*. But it must be so by the natural, not legal interest. For, where money will be lent on good security, at four or five per cent., it is a demonstration that there is more than will be ventured on ordinary credit in trade. And when this plenty becomes general, it is a sign there is more money than can be employed in trade; which cannot but put many upon seeking purchases, to lay it out in land, and to raise the price of land, by making more buyers than sellers.

6. 'It is not probable lenders will call in their money, when they cannot make greater interest any where. Besides, their security upon land will be better.'

Ans. Some unskilful and timorous men will call in their money; others put it into the banker's hands. But the bankers and skilful will keep it up, and not lend it, but at the natural use, as we have shown. But how securities will be mended, by lowering of interest, is, I confess, beyond my comprehension.

OF RAISING OUR COIN.

BEING now upon the consideration of interest and money, give me leave to say one word more on this occasion, which may not be wholly unseasonable at this time. I hear a talk up and down of raising our money, as a means to retain our wealth, and keep our money from being carried away. I wish those, that use the phrase of raising our money, had some clear notion annexed to it; and that then they would examine, 'Whether, that being true, it would at all serve to those ends, for which it is proposed?'

The raising of money, then, signifies one of these two things; either raising the value of our money, or raising the denomination of our coin.

The raising the value of money, or any thing else, is nothing, but the making a less quantity of it exchange for any other thing, that would have been taken for it before, v. g. If 5s. will exchange for, or, (as we call it) buy a bushel of wheat; if you can make 4s. buy another bushel of the same wheat, it is plain the value of your money is raised, in respect of wheat, one fifth. But thus nothing can raise, or fall the value of your money, but the proportion of its plenty, or scarcity, in proportion to the plenty, scarcity, or vent of any other commodity, with which you compare it, or for which you would exchange it. And thus silver, which makes the intrinsick value of money, compared with itself, under any stamp, or denomination of the same, or different countries, cannot be raised. For an ounce of silver, whether in pence,

groats, or crown-pieces, stivers, or ducatoons, or in bullion, is and always eternally will be, of equal value to any other ounce of silver, under what stamp, or denomination soever ; unless it can be shewn that any stamp can add any new or better qualities to one parcel of silver, which another parcel of silver wants.

Silver, therefore, being always of equal value to silver, the value of coin, compared with coin, is greater, less, or equal, only as it has more, less, or equal silver in it : and in this respect, you can by no manner of way raise, or fall your money. Indeed most of the silver of the world, both in money and vessels, being alloyed (i. e. mixed with some baser metals) fine silver, (i. e. silver separated from all alloy) is usually dearer than so much silver alloyed, or mixed with baser metals. Because, besides the weight of the silver, those who have need of fine (i. e. unmixed silver ; as gilders, wire-drawers, &c.) must, according to their need, besides an equal weight of silver, mixed with other metals, give an overplus to reward the refiner's skill and pains. And in this case, fine silver, and alloyed or mixed silver, are considered as two distinct commodities. But no money being coined here, or almost any where, of pure, fine silver, this concerns not the value of money at all ; wherein an equal quantity of silver is always of the same value with an equal quantity of silver, let the stamp, or the denomination be what it will.

All then, that can be done in this great mystery of raising money, is only to alter the denomination, and call that a crown now, which before, by the law, was but a part of a crown. For example : supposing, according to the standard of our law, 5s. or a crown, were to weigh an ounce, (as it does now, wanting about 16 grains) whereof one-twelfth were copper, and eleven-twelfths silver, (for thereabouts it is) it is plain here, it is the quantity of silver gives the value to it. For let another piece be coined of the same weight, wherein half the silver is taken out, and copper, or other alloy, put into the place, every one knows it will be worth but half as much. For the value of the alloy is so inconsiderable as not to be reckoned. This crown now must be raised, and from henceforth our crown-pieces, coined one twentieth lighter ; which is nothing but changing the denomination, calling that a crown now, which yesterday was but a part, viz. nineteen twentieths of a crown ; whereby you have only raised 19 parts to the denomination formerly given to 20. For I think no body can be so senseless as to imagine, that 19 grains, or ounces of silver can be raised to the value of 20 ; or that 19 grains, or ounces of silver shall at the same time exchange for, or buy as much corn, oil, or wine, as 20 ; which is to raise it to the value of 20. For if 19 ounces of silver can be worth 20 ounces of silver, or pay for as much of any other commodity, then 18, 10, or the one ounce may do the same. For, if the abating one twentieth of the quantity of the silver of any coin, does not lessen its value, the abating

nineteen-twentieths of the quantity of the silver of any coin, will not abate its value. And so a single threepence, or a single penny, being called a crown, will buy as much spice, or silk, or any other commodity, as a crown piece, which contains 20 or 60 times as much silver : which is an absurdity so great, and I think no body will want eyes to see, and sense to disown.

Now this raising your money, or giving a less quantity of silver the stamp and denomination of a greater, may be done two ways.

1. By raising one species of your money.
2. By raising all your silver coin, at once, proportionably ; which is the thing, I suppose, now proposed.

1. The raising of one species of your coin, beyond its intrinsick value, is done by coining any one species, (which in account bears such a proportion to the other species of your coin) with less silver in it, than is required by that value it bears in your money.

For example : a crown with us goes for 60 pence, a shilling for 12 pence, a tester for 6 pence, and a groat for 4 pence : and accordingly, the proportion of silver in each of them, ought to be as 60, 12, 6, and 4. Now, if in the mint there should be coined groats, or testers, that being of the same alloy with our other money, had but two-thirds of the weight, that those species are coined at now ; or else, being of the same weight, were so alloyed, as to have one third of the silver, required by the present standard, changed into copper, and should thus, by law, be made current ; (the rest of your silver money being kept to the present standard in weight and fineness) it is plain, those species would be raised one third part ; that passing for 6d. which had but the silver of 4d. in it ; and would be all one, as if a groat should by law be made current for 6d. and every 6d. in payment pass for 9d. This is truly raising these species : but is no more in effect, than if the mint should coin clipped money. And has, besides the cheat that is put by such base, or light money, on every particular man that receives it, that he wants one third of that real value, which the publick ought to secure him, in the money it obliges him to receive, as lawful and current. It has, I say, this great and unavoidable inconvenience to the publick ; that, besides the opportunity it gives to domestick coiners to cheat you with lawful money, it puts it into the hands of foreigners to fetch away your money, without any commodities for it. For if they find that two penny weight of silver, marked with a certain impression, shall here in England be equivalent to 3d. weight marked with another impression, they will not fail to stamp pieces of that fashion ; and so importing that base and low coin, will, here in England, receive 3d. for 2d. and quickly carry away your silver in exchange for copper, or barely the charge of coinage.

This is unavoidable in all countries, where any one species of their money is disproportionate in its intrinsick value, (i. e. in its due pro-

portion of silver to the rest of the money of that country) an inconvenience so certainly attending the allowance of any base species of money to be current, that the king of France could not avoid it, with all his watchfulness. For though, by edict, he made his 4 sols pieces (whereof 15 were to pass for a French crown, though 20 of them had not so much silver in them, as was in a French crownpiece) pass in the inland parts of his kingdom, 15 for a crown in all payments; yet he durst not make them current in the seaport towns, for fear that should give an opportunity to their importation. But yet this caution served not the turn: they were still imported; and by this means, a great loss and damage brought upon his country. So that he was forced to cry them down, and sink them to near their intrinsick value. Whereby a great many particular men, who had quantities of that species in their hands, lost a great part of their estates; and every one, that had any, lost proportionably by it.

If we had groats, or sixpences, current by law amongst us, that wanted one third of the silver, which they now have by the standard, to make them of equal value to our other species of money; who can imagine, that our neighbours would not presently pour in quantities of such money upon us, to the great loss and prejudice of the kingdom? The quantity of silver, that is in each piece, or species of coin, being that, which makes its real and intrinsick value, the due proportions of silver ought to be kept in each species, according to the respective rate, set on each of them by law. And, when this is ever varied from, it is but a trick to serve some present occasion; but is always with loss to the country, where the trick is played.

2. The other way of raising money is by raising all your silver coin at once, the proportion of a crown, a shilling and a penny, in reference to one another, being still kept, (viz. That a shilling shall weigh one-fifth of a crown piece, and a pennyweight one twelfth of a shilling, in standard silver) but out of every one of these, you abate one-twentieth of the silver, they were wont to have in them.

If all the species of money be, as it is called, raised, by making each of them to have one twentieth less of silver in them than formerly; and so your whole money be lighter than it was: the following will be some of the consequences of it.

1. It will rob all creditors of one-twentieth (or 5 per cent.) of their debts, and all landlords one-twentieth of their quit-rents for ever; and in all other rents, as far as their former contracts reach, (of 5 per cent.) of their yearly income; and this without any advantage to the debtor, or farmer. For he, receiving no more pounds sterling for his land, or commodities, in this new lighter coin, than he should have done of your old and weightier money, gets nothing by it. If you say, yes, he will receive more crown, half-crown, and shilling pieces, for what he now sells for new money, than he should have done, if the money of

the old standard had continued ; you confess your money is not raised in value, but in denomination : since what your new pieces want in weight, must now be made up in their number. But, which way soever this falls, it is certain, the publick (which most men think ought to be the only reason of changing a settled law, and disturbing the common, current course of things) receives not the least profit by it. Nay, as we shall see by and by, it will be a great charge and loss to the kingdom. But this, at first sight, is visible ; that in all payments to be received upon precedent contracts, if your money be in effect raised, the receiver will lose 5 per cent. For money having been lent, and leases and other bargains made, when money was of the same weight and fineness, that it is now, upon confidence that under the same name of pounds, shillings, and pence, they should receive the same value, i. e. the same quantity of silver, by giving the denomination now to less quantities of silver by one-twentieth, you take from them 5 per cent. of their due.

When men go to market, to buy any other commodities with their new, but lighter money, they will find 20s. of their new money will buy no more of any commodity than 19 would before. For it not being the denomination, but the quantity of silver, that gives the value to any coin, 19 grains, or parts, of silver, however denominated, or marked, will no more be worth, or pass for, or buy so much of any other commodity, as 20 grains of silver will, than 19s. will pass for 20s. If any one thinks a shilling, or a crown in name, has its value from the denomination, and not from the quantity of silver in it, let it be tried ; and hereafter let a penny be called a shilling, or a shilling be called a crown. I believe no body would be content to receive his debts, or rents in such money : which, though the law should raise thus, yet he foresees he should lose eleven-twelfths by the one, and by the other four-fifths of the value he received ; and would find his new shilling, which had no more silver in it than one twelfth of what a shilling had before, would buy him of corn, cloth, or wine, but one-twelfth of what an old shilling would. This is as plainly so in the raising, as you call it, your crown to 5s. and 3d. or (which is the same thing) making your crown one twentieth lighter in silver. The only difference is, that the loss is so great, (it being eleven twelfths) that every body sees, and abhors it at first proposal ; but, in the other (it being but one twentieth, and covered with the deceitful name of raising our money) people do not so readily observe it. If it be good to raise the crown-piece this way, one twentieth this week, I suppose it will be as good and profitable to raise it as much again the next week. For there is no reason, why it will not be as good to raise it again, another one twentieth, the next week, and so on ; wherein, if you proceed but ten weeks successively, you will, by new-year's day next have every half-crown raised to a crown, to the loss of one-half of people's debts

and rents, and the king's revenue, besides the confusion of all your affairs: and, if you please to go on in this beneficial way of raising your money, you may, by the same art, bring a pennyweight of silver to be a crown.

Silver, *i.e.* the quantity of pure silver, separable from the alloy, makes the real value of money. If it does not, coin copper with the same stamp and denomination, and see whether it will be of the same value. I suspect your stamp will make it of no more worth, than the copper money of Ireland is, which is its weight in copper, and no more. That money lost so much to Ireland, as it passed for, above the rate of copper. But yet I think nobody suffered so much by it, as he, by whose authority it was made current.

If silver give the value, you will say, what need is there then of the charge of coinage? May not men exchange silver by weight, for other things; make their bargains, and keep their accounts in silver by weight? This might be done, but it has these inconveniences:

1. The weighing of silver to every one we had occasion to pay it to, would be very troublesome, for every one must carry about scales in his pocket.

2. Scales would not do the business. For, in the next place, every one cannot distinguish between fine and mixed silver: so that though he receive the full weight, he was not sure he received the full weight of silver, since there might be a mixture of some of the baser metals, which he was not able to discern. Those, who have had the care and government of politick societies, introduced coinage, as a remedy to those two inconveniences. The stamp was a warrantry of the publick, that, under such a denomination, they should receive a piece of such a weight, and such a fineness; that is, they should receive so much silver. And this is the reason, why the counterfeiting the stamp is made the highest crime, and has the weight of treason laid upon it: because the stamp is the publick voucher of the intrinsick value. The royal authority gives the stamp; the law allows and confirms the denomination: and both together give, as it were, the publick faith, as a security, that sums of money, contracted for, under such denominations, shall be of such a value, that is, shall have in them so much silver. For it is silver, and not names, that pays debts, and purchases commodities. If therefore, I have contracted for twenty crowns, and the law then has required, that each of those crowns should have an ounce of silver; it is certain my bargain is not made good, I am defrauded (and whether the publick faith be not broken with me, I leave to be considered) if, paying me twenty crowns, the law allots them to be such as have but nineteen twentieths of the silver they ought to have, and really had in them, when I made my contract.

2. It diminishes all the king's revenue 5 per cent. For though the same number of pounds, shillings and pence are paid into the exche-

quer, as were wont, yet these names being given to coin that have each of them one twentieth less of silver in them; and that being not a secret concealed from strangers, no more than from his own subjects, they will sell the king no more pitch, tar or hemp, for 20s. after the raising your money, than they would before for 19: or, to speak in the ordinary phrase, they will raise their commodities 5 per cent. as you have raised your money 5 per cent. And it is well if they stop there. For usually in such changes, an outcry being made of your lessening your coin, those, who have to deal with you, taking the advantage of the alarm, to secure themselves from any loss by your new trick, raise their price even beyond the par of your lessening your coin.

I hear of two inconveniences complained of, which it is proposed by this project to remedy.

The one is the melting down of our coin: the other, the carrying away of our bullion. These are both inconveniences which, I fear, we lie under: but neither of them will be in the least removed, or prevented, by the proposed alteration of our money.

1. It is past doubt that our money is melted down. The reason whereof is evidently the cheapness of coinage. For a tax on wine paying the coinage, the particular owners paying nothing for it. So that 100 ounces of silver coined, comes to the owner at the same rate, as 100 ounces of standard silver in bullion. For delivering into the mint his silver in bars, he has the same quantity of silver delivered out to him again in coin, without any charges to him. Whereby, if at any time he has occasion for bullion, it is the same thing to melt down our milled money, as to buy bullion from abroad, or take it in exchange for other commodities. Thus our mint, to the only advantage of our officers, but at the public cost, labours in vain, as will be found. But yet this makes you not have one jot less money in England, than you would have otherwise; but only makes you coin that, which otherwise would not have been coined, nor perhaps been brought hither: and being not brought hither by an over-balance of your exportation, cannot stay when it is here. It is not any sort of coinage does, or can keep your money here; that wholly and only depends upon the balance of your trade. And had all the money in king Charles the II. and king James the II.'s time, been minted, according to his new proposal, this raised money would have been gone, as well as the other, and the remainder had been no more, nor no less than it is now. Though I doubt not but the mint would have coined as much of it, as it has of our present milled money. The short is this: an over-balance of trade with Spain brings you in bullion; cheap coinage, when it is here, carries it into the mint, and money is made of it; but, if your exportation will not balance your importation in other parts of your trade, away must your silver go again, whether monied or not monied. For where goods do not, silver must, pay for the commodities you spend.

That this is so, will appear by the books of the mint, where may be seen how much milled money has been coined in the two last reigns. And in a paper I have now in my hands, (supposed written by a man not wholly ignorant in the mint) it is confessed, that whereas one-third of the current payments were some time since of milled money, there is not now one-twentieth. Gone then it is : but let not any one mistake and think it gone, because in our present coinage an ounce wanting about 16 grains, is denominated a crown : or that (as is now proposed) an ounce wanting 40 grains, being coined in one piece, and denominated a crown, would have stopped it, or will (if our money be so altered) for the future fix it here. Coin what quantity of silver you please, in one piece, and give it the denomination of a crown ; when your money is to go, to pay your foreign debts, (or else it will not go out at all) your heavy money (*i. e.* that which is weight according to its denomination, by the standard of the mint) will be that which will be melted down, or carried away in coin by the exporter, whether the pieces of each species be by the law bigger, or less. For, whilst coinage is wholly paid for by a tax, whatever your size of money be, he that has need of bullion to send beyond sea, or silver to make plate, need but take milled money and melt it down, and he has it as cheap as if it were in pieces of eight, or other silver coming from abroad ; the stamp, which so well secures the weight of the milled money, costing nothing at all.

To this perhaps will be said, that if this be the effect of milled money, that it is so apt to be melted down, it were better to return to the old way of coining by the hammer. To which I answer, by no means. For,

1. Coinage by the hammer less secures you from having a great part of your money melted down. For in that way there being a greater inequality in the weight of the pieces, some being too heavy, and some too light ; those, who know how to make their advantage of it, cull out the heavy pieces, melt them down, and make a benefit of the over-weight.

2. Coinage by the hammer exposes you much more to the danger of false coin. Because the tools are easily made and concealed, and the work carried on with fewer hands, and less noise than a mill ; whereby false coiners are less liable to discovery.

3. The pieces not being so round, even, and fairly stamped, nor marked on the edges, are exposed to clipping, which milled money is not.

Milled money is, therefore, certainly best for the publick. But, whatever be the cause of melting down our milled money, I do not see how raising our money (as they call it) will at all hinder its being melted down. For if our crown-pieces should be coined one-twentieth lighter, why should that hinder them from being melted down, more than now?

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The intrinsic value of the silver is not altered, as we have shewn already : therefore that temptation to melt them down remains the same as before.

‘But they are lighter by one twentieth.’ That cannot hinder them from being melted down. For half-crowns are lighter by half, and yet that preserves them not.

‘But they are of less weight under the same denomination, and therefore, they will not be melted down.’ That is true, if any of these present crowns, that are one twentieth heavier, are current for crowns at the same time. For then they will no more melt down the new light crowns, than they will the old clipped ones, which are no more worth in coin and tale, than in weight and bullion. But it cannot be supposed, that men will part with their old and heavier money, at the same rate that the lighter, new coin goes at, and pay away their old crowns for 5s. in tale, when at the mint they will yield them 5s. 3d. And then if an old milled crown goes for 5s. 3d. and a new milled crown (being so much lighter) goes for a crown, what, I pray, will be the odds of melting down the one, or the other? The one has one twentieth less silver in it, and goes for one twentieth less; and so being weight they are melted down upon terms. If it be a convenience to melt one, it will be as much a convenience to melt the other : just as it is the same convenience to melt milled half-crowns as milled crowns, the one having, with half the quantity of silver, half the value. When the money is all brought to the new rate, *i. e.* to be one twentieth lighter, and commodities raised as they will proportionably, what shall hinder the melting down of your money then, more than now, I would fain know? If it be coined then, as it is now, gratis, a crown-piece, (let it be of what weight soever) will be as it is now, just worth its own weight in bullion of the same fineness; for the coinage which is the manufactory about it, and makes all the difference, costing nothing, what can make the difference of value? And therefore, whoever wants bullion, will as cheaply melt down these new crowns, as buy bullion with them. The raising of your money cannot then (the act for free coinage standing) hinder its being melted down.

Nor, in the next place, much less can it, as it is pretended, hinder the exportation of our bullion. Any denomination, or stamp, we shall give to silver here, will neither give silver a higher value in England, nor make it less prized abroad. So much silver will always be worth (as we have already shewed) so much silver, given in exchange one for another. Nor will it, when in your mint a less quantity of it is raised to a higher denomination (as when nineteen twentieths of an ounce has the denomination of a crown, which formerly belonged only to the whole 20) be one jot raised, in respect of any other commodity.

You have raised the denomination of your stamped silver one twentieth, or, which is all one, 5 per cent. And men will presently raise

their commodities 5 per cent. So that if yesterday 20 crowns would exchange for 20 bushels of wheat, or 20 yards of a certain sort of cloth, if you will to-day coin current crowns one twentieth lighter, and make them the standard, you will find 20 crowns will exchange for but 19 bushels of wheat, or 19 yards of that cloth, which will be just as much silver for a bushel, as yesterday. So that, silver being of no more real value, by your giving the same denomination to a less quantity of it; this will no more give in, or keep your bullion here, than if you had done nothing. If this were otherwise, you would be beholden (as some people foolishly imagine) to the clippers for keeping your money. For if keeping the whole denomination to a less quantity of silver, be raising your money (as in effect it is all that is, or can be done in it, by this project of making your coin lighter) the clippers have sufficiently done that: and, if their trade go on a little while longer, at the rate it has of late, and your milled money be melted down and carried away, and no more coined; your money will, without the charge of new coinage, be, by that sort of artificers, raised above five per cent. when all your current money shall be clipped, and made above one-twentieth lighter than the standard, preserving still its former denomination.

It will possibly be here objected to me, that we see £100 of clipped money, above 5 per cent. lighter than the standard, will buy as much corn, cloth, or wine, as £100 in milled money, which is above one twentieth heavier: whereby it is evident that my rule fails, and that it is not the quantity of silver that gives the value to money, but its stamp and denomination. To which I answer, that men make their estimate and contracts according to the standard, upon supposition they shall receive good and lawful money, which is that of full weight: and so in effect they do, whilst they receive the current money of the country. For since £100 of clipped money will pay a debt of £100 as well as the weightiest milled money, and a new crown out of the mint will pay for no more flesh, fruit, or cloth, than five clipped shillings; it is evident that they are equivalent as to the purchase of any thing here at home, whilst no body scruples to take five clipped shillings, in exchange for a weighty milled crown. But this will be quite otherwise as soon as you change your coin, and (to raise it as you call it) make your money one twentieth lighter in the mint; for then no body will any more give an old crown of the former standard for one of the new, than he will now give you 5s. 3d. for a crown: for so much then his old crown will yield him at the mint.

Clipped and unclipped money will always buy an equal quantity of any thing else, as long as they will without scruple change one for another. And this makes, that the foreign merchant, who comes to sell his goods to you, always counts upon the value of your money, by the silver that is in it, and estimates the quantity of silver by the standard of your mint; though perhaps by reason of clipped, or worn money

amongst it, any sum that is ordinarily received is much lighter than the standard, and so has less silver in it than what is in a like sum, new coined in the mint. But whilst clipped and weighty money will equally change one for another, it is all one to him, whether he receive his money in clipped money, or no, so it be but current. For if he buy other commodities here with his money, whatever sum he contracts for, clipped as well as weighty money equally pays for it. If he would carry away the price of his commodity in ready cash, it is easily changed into weighty money : and then, he has not only the sum in tale that he contracted for, but the quantity of silver he expected, for his commodities, according to the standard of our mint. If the quantity of your clipped money be once grown so great, that the foreign merchant cannot (if he has a mind to it) easily get weight money for it, but having sold his merchandize, and received clipped money, finds a difficulty to procure what is weight for it; he will in selling his goods either contract to be paid in weighty money, or else raise the price of his commodities, according to the diminished quantity of silver, in your current coin.

In Holland (ducatoons being the best money of the country, as well as the largest coin) men in payments received and paid those indifferently with the other money of the country; till of late the coining of other species of money, of baser alloy, and in greater quantities, having made the ducatoons, either by melting down, or exportation, scarcer than formerly, it became difficult to change the baser money into ducatoons; and since that, nobody will pay a debt in ducatoons, unless he be allowed half per cent. or more, above the value they were coined for.

To understand this, we must take notice, that guilders is the denomination, that in Holland they usually compute by, and make their contracts in. A ducatoon formerly passed at three guilders and three stuyvers, or sixty-three stuyvers. There were then (some years since) began to be coined another piece, which was called a three guilders piece, and was ordered to pass for three guilders, or sixty stuyvers. But 21 three guilders pieces, which were to pass for 63 guilders, not having so much silver in them as 20 ducatoons, which passed for the same sum of 63 guilders, the ducatoons were either melted down in their mints (for the making of these three guilders pieces, or yet baser money, with profit) or were carried away by foreign merchants; who, when they carried back the product of their sale in money, would be sure to receive their payment of the number of guilders they contracted for, in ducatoons, or change the money they received, into ducatoons: whereby they carried home more silver, than if they had taken their payment in three guilders pieces, or any other species. Thus ducatoons became scarce. So that now, he that will be paid in ducatoons, must allow half per cent. for them. And therefore the merchants,

when they sell any thing now, either make their bargain to be paid in ducatoons; or if they contract for guilders in general, (which will be sure to be paid them in the baser money of the country) they raise the price of their commodities accordingly.

By this example, in a neighbour country, we may see how our new milled money goes away. When foreign trade imports more than our commodities will pay for, it is certain we must contract debts beyond sea, and those must be paid with money, when either we cannot furnish, or they will not take our goods to discharge them. To have money beyond sea to pay our debts, when our commodities do not raise it, there is no other way but to send it thither. And since a weighty crown costs no more here than a light one, and our coin beyond sea is valued no otherwise than according to the quantity of silver it has in it, whether we send it in specie, or whether we melt it down here to send it in bullion, (which is the safest way, as not being prohibited) the weightiest is sure to go. But when so great a quantity of your money is clipped, or so great a part of your weighty money is carried away, that the foreign merchant, or his factor here, cannot have his price paid in weighty money, or such as will easily be changed into it, then every one will see (when men will no longer take five clipped shillings for a milled, or weighty crown) that it is the quantity of silver that buys commodities and pays debts, and not the stamp and denomination which is put upon it. And then too it will be seen what a robbery is committed on the publick by clipping. Every grain diminished from the just weight of our money, is so much loss to the nation, which will one time or other be sensibly felt; and which, if it be not taken care of, and speedily stopped, will in that enormous course it is now in, quickly, I fear, break out into open ill effects, and at one blow deprive us of a great part (perhaps near one fourth) of our money. For that will be really the case, when the increase of clipped money makes it hard to get weighty: when men begin to put a difference of value between that which is weighty, and light money; and will not sell their commodities, but for money that is weight, and will make their bargains accordingly.

Let the country gentleman, when it comes to that pass, consider, what the decay of his estate will be? When, receiving his rent in the tale of clipped shillings, according to his bargain, he cannot get them to pass at market for more than their weight. And he that sells him salt or silk, will bargain for 5s. such a quantity, if he pays him in fair, weighty coin, but in clipped money he will not take under 5s. 3d. Here you see you have your money, without this new trick of coinage, raised 5 per cent. But whether to any advantage of the kingdom, I leave every one to judge.

Hitherto we have only considered the raising of silver coin, and that has been, only by coining it, with less silver in it, under the same de-

nomination. There is another way yet of raising money, which has something more of reality, though as little good in it as the former. This too, now that we are upon the chapter of raising money, it may not be unseasonable, to open a little. The raising I mean, is, when either of the two richer metals, (which money is usually made of) is by law raised above its natural value, in respect of the other. Gold and silver have, in almost all ages and parts of the world (where money was used) generally been thought the fittest materials to make it of. But there being a great disproportion in the plenty of these metals in the world, one has always been valued much higher than the other; so that one ounce of gold has exchanged for several ounces of silver: as at present, our guinea passing for 21s. 6d. in silver, gold is now about fifteen and a half times more worth than silver; there being about fifteen and a half times more silver in 21s. 6d. than there is gold in a guinea. This being now the market rate of gold to silver; if by an established law the rate of guineas should be set higher, (as to 22s. 6d.) they would be raised indeed, but to the loss of the kingdom. For by this law, gold being raised 5 per cent. above its natural true value, foreigners would find it worth while to send their gold hither, and so fetch away our silver at five per cent. profit, and so much loss to us. For when so much gold, as would purchase but 100 ounces of silver any where else, will in England purchase the merchant 105 ounces, what shall hinder him from bringing his gold to so good a market; and either selling it at the mint, where it will yield so much, or having it coined into guineas? And then (going to market with his guineas) he may buy our commodities at the advantage of 5 per cent. in the very sort of his money; or change them into silver, and carry that away with him?

On the other side, if by a law you would raise your silver money, and make four crowns, or 20s. in silver, equal to a guinea, at which rate I suppose it was first coined, so that by your law a guinea should pass but for 20s. the same inconveniency would follow. For then strangers would bring in silver and carry away your gold, which was to be had here at a lower rate than any where else.

If you say, that this inconveniency is not to be feared; for that as soon as people found, that gold began to grow scarce, or that it was more worth than the law set upon it, they would not then part with it at the statute rate, as we see the broad pieces that were coined in king James the First's time for 20s. no body will now part with under 23s. or more, according to the market value; this I grant is true, and it does plainly confess the foolishness of making a law, which cannot produce the effect it is made for: as indeed it will not, when you would raise the price of silver, in respect of gold, above its natural market value: for then, as we see in our gold, the price of it will raise itself. But on the other side, if you should by a law, set the value of gold

above its par ; then people would be bound to receive it at that high rate, and so part with their silver at an under value. But supposing, that having a mind to raise your silver in respect of gold, you make a law to do it, what comes of that? If your law prevail, only this ; that, as much as you raise silver, you debase gold, (for they are in the condition of two things, put in opposite scales, as much as the one rises the other falls) and then your gold will be carried away with so much clear loss to the kingdom, as you raise silver and debase gold by your law, below their natural value. If you raise gold in proportion to silver, the same effect follows.

I say, raise silver in respect of gold, and gold in proportion to silver. For, when you would raise the value of money, fancy what you will, it is but in respect of something you would change it for ; and is done only when you can make a less quantity of the metal, which your money is made of, change for a greater quantity of that thing which you would raise it to.

The effect indeed, and ill consequence of raising either of these two metals, in respect of the other, is more easily observed, and sooner found in raising gold than silver coin : because your accounts being kept, and your reckonings all made in pounds, shillings, and pence, which are denominations of silver coins, or numbers of them ; if gold be made current at a rate above the free and market value of those two metals, every one will easily perceive the inconvenience. But there being a law for it, you cannot refuse the gold in payment for so much. And all the money, or bullion, people will carry beyond sea from you, will be in silver ; and the money, or bullion, brought in, will be in gold. And just the same will happen, when your silver is raised and gold debased, in respect of one another, beyond their true and natural proportion : (natural proportion or value, I call that respective rate they find, any where, without the prescription of law.) For then silver will be that which is brought in, and gold will be carried out ; and that still with loss to the kingdom, answerable to the overvalue set by the law. Only as soon as the mischief is felt, people will (do what you can) raise the gold to its natural value. For your accounts and bargains being made in the denomination of silver money ; if, when gold is raised above its proportion, by the law, you cannot refuse it in payment (as if the law should make a guinea current at 22s. 6d.) you are bound to take it at that rate in payment. But if the law should make guineas current at 20s. he that has them, is not bound to pay them away at that rate, but may keep them, if he pleases, or get more for them if he can : yet, from such a law, one of these three things will follow. Either 1. The law forces them to go at 20s. and then being found passing at that rate, foreigners make their advantage of it : Or, 2. People keep them up, and will not part with them at the legal rate, understanding them really to be worth more, and then all your gold

lies dead, and is of no more use to trade, than if it were all gone out of the kingdom : Or, 3. It passes for more than the law allows, and then your law signifies nothing, and had been better let alone. Which way soever it succeeds, it proves either prejudicial, or ineffectual. If the design of your law takes place, the kingdom loses by it : if the inconvenience be felt and avoided, your law is eluded.

Money is the measure of commerce, and of the rate of every thing, and, therefore, ought to be kept (as all other measures), as steady and invariable as may be. But this cannot be, if your money be made of two metals, whose proportion, and, consequently, whose price, constantly varies in respect to one another. Silver, for many reasons, is the fittest of all metals to be this measure ; and therefore, generally made use of for money. But then it is very unfit and inconvenient that gold, or any other metal, should be made current, legal money, at a standing, settled rate. This is to set a rate upon the varying value of things by law, which justly cannot be done ; and is, as I have shewed, as far as it prevails, a constant damage and prejudice to the country, where it is practised. Suppose fifteen to one, be now the exact par between gold and silver, what law can make it lasting ; and establish it so, that next year, or twenty years hence, this shall be the just value of gold to silver ; and that one ounce of gold shall be just worth fifteen ounces of silver, neither more or less ? It is possible, the East-India trade sweeping away great sums of gold, may make it scarcer in Europe. Perhaps the Guinea trade and mines of Peru, affording it in greater abundance, may make it more plentiful ; and so its value in respect of silver, come on the one side to be as sixteen, or, on the other, as fourteen to one. And can any law you shall make, alter this proportion here, when it is so every where else, round about you ? If your law set it at fifteen, when it is at the free market rate, in the neighbouring countries, as sixteen to one ; will they not send thither their silver to fetch away your gold, at one sixteen loss to you ? Or if you will keep its rate to silver as fifteen to one, when in Holland, France, and Spain its market value is but fourteen ; will they not send hither their gold, and fetch away your silver, at one fifteen loss to you ? This is unavoidable, if you will make money of both gold and silver, at the same time, and set rates upon them by law, in respect of one another.

What then ! (Will you be ready to say) Would you have gold kept out of England ? Or, being here, would you have it useless to trade ; and must there be no money made of it ? I answer, quite the contrary. It is fit the kingdom should make use of the treasure it has. It is necessary your gold should be coined, and have the king's stamp upon it, to secure men in receiving it, that there is so much gold in each piece. But it is not necessary that it should have a fixed value set on it, by publick authority : it is not convenient that it should, in its vary-

ing proportion, have a settled price. Let gold, as other commodities, find its own rate. And when, by the king's image and inscription, it carries with it a publick assurance of its weight and fineness; the gold money, so coined, will never fail to pass at the known market rates, as readily as any other species of your money. Twenty guineas, though designed at first for £20 go now as current for £21 10s. as any other money, and sometimes for more, as the rate varies. The value, or price, of any thing, being only the respective estimate it bears to some other, which it comes in competition with, can only be known by the quantity of the one, which will exchange for a certain quantity of the other. There being no two things in nature, whose proportion and use does not vary, it is impossible to set a standing, regular price between them. The growing plenty, or scarcity, of either in the market (whereby I mean the ordinary place, where they are to be had in traffick), or the real use, or changing fashion of the place, bringing either of them more into demand than formerly, presently varies the respective value of any two things. You will as fruitlessly endeavour to keep two different things steadily at the same price one with another, as to keep two things in an æquilibrium, where their varying weights depend on different causes. Put a piece of sponge in one scale, and an exact counterpoise of silver in the other; you will be mightily mistaken if you imagine, that because they are to-day equal, they shall always remain so. The weight of the sponge varying with every change of moisture in the air, the silver, in the opposite scale, will sometimes rise and sometimes fall. This is just the state of silver and gold, in regard of their mutual value. Their proportion, or use, may, nay, constantly does vary, and with it their price. For, being estimated one, in reference to the other, they are, as it were, put in opposite scales; and as the one raises the other falls, and so on the contrary.

Farthings, made of a baser metal, may on this account too deserve your consideration. For whatsoever coin you make current, above the intrinsic value, will always be damage to the publick, whoever get by it. But of this I shall not, at present, enter into a more particular enquiry; only this I will confidently affirm, that it is the interest of every country, that all the current money of it should be of one and the same metal; that the several species should be of the same alloy, and none of a baser mixture: and that the standard once thus settled, should be inviolably and immutably kept to perpetuity. For, whenever that is altered, upon what pretence soever, the publick will lose by it.

Since then it will neither bring us in more money, bullion, or trade; nor keep what we have here, nor hinder our weighty money, of what denomination soever, from being melted; to what purpose should the kingdom be at the charge of coining all our money anew? For I do not suppose any body can propose, that we should have two sorts of money, at the same time, one heavier, and the other lighter, as it comes

from the mint ; that is very absurd to imagine. So that if all your old money must be coined over again ; it will indeed be some advantage, and that a very considerable one, to the officers of the mint. For they being allowed 3s. 6d. (it should be sixteen pence half-penny), for the coinage of every pound troy, which is very near five and an half per cent. if our money be six millions, and must be coined all over again, it will cost the nation to the mint £330,000. £130,000, if the clipped money must escape, because it is already as light as your new standard ; do you not own that this design of new coinage is just of the nature of clipping ?

This business of money and coinage is by some men, and amongst them some very ingenious persons, thought a great mystery, and very hard to be understood. Not that truly in itself it is so, but because interested people, that treat of it, wrap up the secret, they make advantage of, in a mystical, obscure, and unintelligible way of talking ; which men, from a pre-conceived opinion of the difficulty of the subject, taking for sense, in a matter not easy to be penetrated, but by the men of art, let pass for current, without examination. Whereas, would they look into those discourses, and enquire what meaning their words have, they would find, for the most part, either their positions to be false, their deductions to be wrong, or (which often happens) their words to have no distinct meaning at all. Where none of these be, there their plain, true, honest sense, would prove very easy and intelligible, if expressed in ordinary and direct language.

That this is so, I shall shew, by examining a printed sheet on this subject ; entitled, 'Remarks on a paper given in to the lords, &c.'

Rem. 'It is certain, That what place soever will give most for silver by weight, it will thither be carried and sold : and if of the money which now passes in England, there can be 5s. 5d. the ounce given for standard silver at the mint, when but 5s. 4d. of the very same can be given elsewhere for it, it will certainly be brought to the mint ; and when coined, cannot be sold (having one penny over value set upon it by the ounce), for the same that other plate may be bought for, so will be left unmelted ; at least, it will be the interest of any exporter, to buy plate to send out, before money ; whereas now it is his interest to buy money, to send out before plate.'

Answ. The author would do well to make it intelligible, how, 'of the money that now passes in England, at the mint can be given 5s. 5d. the ounce for standard silver, when but 5s. 4d. of the same money can be given elsewhere for it.' Next, 'How it has one penny over-value set upon it by the ounce, so that, when coined, it cannot be sold.' This to an ordinary reader, looks very mysterious ; and, I fear, is so, as either signifying nothing at all, or nothing that will hold. For

1. I ask, Who is at the mint, that 'can give 5s. 5d. the ounce for

'standard silver, when no body else can give above 5s. 4d.' Is it the king, or is it the master-worker, or any of the officers? For to give 5s. 5d. for what will yield but 5s. 4d. to any body else, is to give one sixty-fifth part more than it is worth. For so much every thing is worth, as it will yield. And I do not see how this can turn to account to the king, or be borne by any body else.

2. I ask, 'How a penny over value can be set upon it by the ounce, 'so that it cannot be sold?' This is so mysterious, that I think it near impossible. For an equal quantity of standard silver, will always be just worth an equal quantity of standard silver. And it is utterly impossible to make sixty-four parts of standard silver equal to, or worth, sixty-five parts of the same standard silver; which is meant by 'setting' 'a penny over value upon it by the ounce,' if that has any meaning at all. Indeed, by the workmanship of it, sixty-four ounces of standard silver may be made not only worth sixty-five ounces, but seventy or eighty. But the coinage, which is all the workmanship here, being paid for by a tax, I do not see how that can be reckoned at all: or if it be, it must raise every 5s. 4d. coined, to above 5s. 5d. If I carry sixty-four ounces of standard silver in bullion to the mint to be coined, shall I not have just sixty-four ounces back again for it in coin? And if so, can these sixty-four ounces of coined, standard silver, be possibly made worth sixty-five ounces of the same standard silver uncoined, when they cost me no more; and I can, for barely going to the mint, have sixty-four ounces of standard silver in bullion turned into coin? Cheapness of coinage in England, where it costs nothing, will indeed make money be sooner brought to the mint, than any where else; because there I have the convenience of having it made into money for nothing. But this will no more keep it in England than if it were perfect bullion. Nor will it hinder it from being melted down, because it cost no more in coin than in bullion: and this equally, whether your pieces of the same denomination be lighter, heavier, or just as they were before. This being explained, it will be easy to see, whether the other things said in the same paragraph be true or false, and particularly, whether 'it will be the interest of every exporter, to buy plate to send out before money.'

Rem. 'It is only barely asserted, That if silver be raised at the mint, that it will rise elsewhere above it; but can never be known till it be tried.'

Ans. The author tells us, in the last paragraph, that silver, that is worth 'but 5s. 2d. per ounce at the mint, is worth 5s. 4d. elsewhere.' This, how true, or what inconvenience it hath, I will not here examine. But, be the inconvenience of it what it will, this raising the money he proposes as a remedy: and to those who say, upon raising our money, silver will rise too, he makes this answer, that 'it can never be known whether it will or no, till it be tried.' To which I reply,

That it may be known as certainly without trial, as it can, that two pieces of silver that weighed equally yesterday, will weigh equally again to-morrow in the same scales.

'There is silver, (says our author,) whereof an ounce (*i.e.* 480 grains) will change for 5s. 4d.' (*i.e.* 496 grains) of our standard silver coined. To-morrow you coin your money lighter; so that then 5s. 4d. will have but 472 grains of coined standard silver in it. Can it not then be known, without trial, whether that ounce of silver, which to-day will change for 496 grains of standard silver coined, will change to-morrow but for 472 grains of the same standard silver coined? Or can any one imagine that 480 grains of the same silver, which to-day are worth 496 grains of our coined silver, will to-morrow be worth but 472 grains of the same silver, a little differently coined? He that can have a doubt about this till it be tried, may as well demand a trial to be made, to prove, that the same thing is æquiponderant, or equivalent to itself. For I think it is as clear, that 472 grains of silver are æquiponderant to 496 grains of silver, as that an ounce of silver, that is to-day worth 496 grains of standard silver, should to-morrow be worth but 472 grains of the same standard silver, all circumstances remaining the same, but the different weight of the pieces stamped: which is that our author asserts, when he says, That it is only barely asserted, &c. What has been said to this, may serve also for an answer to the next paragraph. Only I desire it may be taken notice of, that the author seems to insinuate, that silver goes not in England, as in foreign parts, by weight: which is a very dangerous, as well as false position; and which, if allowed, may let into our mint what corruption and debasing of our money one pleases.

Rem. 'That our trade hath heretofore furnished us with an overplus, brought home in gold and silver, is true: but that we bring home from any place more goods than we now export to it, I do not conceive to be so. And more goods might be sent to those parts; but by reason of the great value of silver in this part of the world, more money is to be got by exporting silver, than by any other thing that can be sent; and that is the reason of it. And for its being melted down, and sent out, because it is so heavy, is not by their paper denied.'

Answ. 'That we bring home from any place more goods than we now export, (the author tells us) he doth not conceive.'

Would he had told us a reason for his conceit. But since the money of any country is not presently to be changed, upon any private man's groundless conceit, I suppose this argument will not be of much weight with many men. I make bold to call it a groundless conceit: for if the author please to remember the great sums of money are carried every year to the East Indies, for which we bring home consumable commodities; (though I must own it pays us again with

advantage) or, if he will examine, how much only two commodities, wholly consumed here, cost us yearly in money, (I mean Canary wine and currants,) more than we pay for, with goods exported to the Canaries and Zant; besides the over-balance of trade upon us in several other places, he will have little reason to say, 'he doth not conceive we bring home from any place more goods than we now export to it.'

'As to what he says, concerning the melting down and exporting our money, because it is heavy:' if by heavy, he means, because our crown-pieces (and the rest of our species of money in proportion) are 23 or 24 grains heavier than he would have them coined: this, whoever grants it, I deny upon grounds, which, I suppose, when examined, will be found clear and evident.

Indeed, when your debts beyond sea, to answer the over-balance of foreign importations, call for your money, it is certain the heavy money, which has the full standard weight, will be melted down and carried away, because foreigners value not your stamp, or denomination, but your silver.

He would do well to tell us what he means by 'the great value of silver in this part of the world.' For he speaks of it as a cause that draws away our money more now than formerly, or else it might as well have been omitted as mentioned in this place: and if he mean, by this part of the world, England, it is scarce sense to say, that the great value of silver in England should draw silver out of England. If he means the neighbouring countries to England, he should have said it, and not doubtfully this part of the world. But let him, by this part of the world, mean what he will, I daresay every one will agree, that silver is not more valued in this, than any other part of the world; nor in this age, more than in our grandfathers' days.

I am sorry, if it be true, what he tells us, That 'more money is to be got by exportation of silver, than by any other thing that can be sent.' This is an evidence, that 'we bring home more goods than we export.' For, till that happens, and has brought us in debt beyond sea, silver will not be exported; but the overplus of people's gain, being generally laid up in silver, it will be brought home in silver; and so our people will value it as much as any other, in this part of the world.

The truth of the case, in short, is this. Whenever we, by a losing trade, contract debts with our neighbours, they will put a great value on our silver, and 'more money will be got by transporting silver than anything that can be sent:' which comes about thus. Suppose that by an over-balance of their trade (whether by a sale of pepper, spices, and other East-India commodities, it matters not) we have received great quantities of goods, within these two or three months from Holland, and sent but little thither; so that the accounts balanced,

between the inhabitants of England and the United Provinces, we of England were a million in their debt ; what would follow from hence ? This ; That these Dutch creditors, desiring to have what is due to them, give order to their factors and correspondents here, to return it to them. For enquiring as we do, what are the effects of an over-balance of trade, we must not suppose they invest their debts in commodities, and return their effects that way. A million then being to be returned from England to Holland in money, every one seeks bills of exchange ; but Englishmen not having debts in Holland to answer this million, or any the least part of it, bills are not to be got. This presently makes the exchange very high, upon which the bankers, &c., who have the command of great quantities of money and bullion, send that away to Holland in specie, and so take money here to pay it again there, upon their bills, at such a rate of exchange, as gives them five, ten, fifteen, &c. per cent. profit : and thus sometimes a 5s. piece of our milled money may truly be said to be worth 5s. 3d., 4d., 6d., 9d., in Holland. And if this be 'the great value of silver in this part of the world,' I easily grant it him. But this value is to be remedied, not by the alteration of our mint, but by the regulation and balance of our trade. For be your coin what it will, our neighbours, if they over-balance us in trade, will not only have a great value for our silver, but get it too ; and there will be 'more to be got, by exporting silver to them, than by any other thing that can be sent.'

Rem. 'The alterations of the coins in Spain and Portugal are no way at all like this. For there they altered in denomination near half, to deceive those they paid, with paying those, to whom they owed one ounce of silver, but half an ounce for it. But, in the alteration here designed, to whoever an ounce of silver was owing, an ounce will be paid in this money ; it being here only designed, that an ounce of money should equal an ounce of silver in value, at home, as well as abroad, which now it does not.'

Answ. In this paragraph the author confesses the alteration of the coin in Spain and Portugal was a cheat ; but the 'alteration here designed,' he says, 'is not : ' but the reason he gives for it is admirable, viz., 'Because they there altered in denomination near half,' and here denomination is altered but five per cent., for so in truth it is, whatever be designed. As if fifty per cent. were a cheat, but five per cent. were not ; because, perhaps, less perceivable. For the two things that are pretended to be done here by this new coinage, I fear will both fail, viz., 1. That 'to whomsoever an ounce of silver is owing, an ounce of silver shall be paid in this money.' For when an ounce of silver is coined, as is proposed, into 5s. 5d., (which is to make our money five per cent. lighter than it is now,) I that am to receive £100 per ann. fee-farm rent, shall I, in this new money, receive £105 or barely £100 ? The first, I think, will not be said. For if by law you have made it

£100, it is certain the tenant will pay me no more. If you do not mean that 400 crowns, or 2000 shillings of your new coin shall be £100, but there must be five per cent. in tale, added to every 100, you are at the charge of new coinage to no other purpose but to breed confusion. If I must receive £100 by tale, of this new money for my fee-farm rent, it is demonstration that I lose five ounces per cent. of the silver that was due to me. This, a little lower, he confesses in these words, 'That where a man has a rent-SEC, that can never be more, this may somewhat affect it, but so very little, that it will scarce ever at all be perceived.' This very little is five per cent., and if a man be cheated of that, so he perceives it not, it goes for nothing. But this loss will not affect only such rents as can never be more, but all payments whatsoever, that are contracted for, before this alteration of our money.

2. If it be true, what he affirms, 'That an ounce of money doth equal an ounce of silver in value abroad, but not at home;' then this part of the undertaking will also fail. For I deny that the stamp on our money does any more debase it here at home, than abroad, or make the silver in our money not equal in value to the same weight of silver everywhere. The author would have done well to have made it out, and not left so great a paradox only to the credit of a single assertion.

Rem. 'And for what is said in this bill to prevent exportation, relates only to the keeping in our coin and bullion, and leaves all foreign to be exported still.'

Answ. What the author means by our own and foreign bullion, will need some explication.

Rem. 'There is now no such thing as payments made in weighty and milled money.'

Answ. I believe there are very few in town, who do not very often receive a milled crown for 5s., and a milled half crown for 2s. 6d. But he means, I suppose, in great and entire sums of milled money. But I ask, if all the clipped money were called in, whether then all the payments would not be in weighty money; and that not being called in, whether if it be lighter than your new milled money, the new milled money will not be melted down as much as the old? Which I think the author there confesses, or else I understand him not.

Rem. 'Nor will this any way interrupt trade; for trade will find its own course; the denomination of money in any country no way concerning that.'

Answ. The denomination to a certain weight of money, in all countries, concerns trade; and the alteration of that necessarily brings disturbance to it.

Rem. 'For if so be it occasions the coining more money.'

Answ. He talks as if it would be 'the occasion of coining more

money.' Out of what? Out of money already coined, or out of bullion? For I would be glad to know where it is.

Rem. 'It may be some gain to those that will venture to melt down the coin, but very small loss (if any) to those that shall be paid in the new: it is not to be denied, but that where any man has a rent-SEC, that can never be more, this may somewhat affect it; but so very little, it will scarce ever at all be perceived.'

Answ. As much as it will be gain to melt down their coin, so much loss will it be to those who are paid in new, viz., 5 per cent. which, I suppose, is more than the author would be willing to lose, unless he get by it another way.

Rem. 'And if the alteration designed should have the effect of making our native commodities any ways dearer—'

Answ. Here our author confesses, that proportionably as your money is raised, the price of other things will be raised too. But to make amends, he says,

Rem. 'It does at the same time make the land which produces them, of more than so much more in value.'

Answ. This 'more than so much more in value,' is more than our author or anybody else for him, will ever be able to make out.

The price of things will always be estimated by the quantity of silver given in exchange for them. And if you make your money less in weight, it must be made up in tale. This is all this great mystery of raising money, and raising land. For example: the manor of Black-acre would yesterday have yielded 100,000 crowns, which crown-pieces, let us suppose *numero rotundo* to weigh each of them an ounce of standard silver. To-day your new coin comes in play, which is 5 per cent. lighter. There is your money raised: the land now at sale, yields 105,000 crowns, which is just the same 100,000 ounces of standard silver. There is the land raised. And is not this an admirable invention, for which the publick ought to be at above £100,000 charge for new coinage, and all your commerce put in disorder? And then to recommend this invention, you are told, as a great secret, that, 'had not money from time to time, been raised in its denomination, lands had not so risen too.' which is to say, had not your money been made lighter, fewer pieces of it would have bought as much land as a greater number does now.

Rem. 'The loss of payments, there spoken of, will, in no sort, be so great, as if the parties, to whom these debts are owing, were now bound to receive them in the money now passes, and then melt the same down; for at this they will have no cause to complain.'

Answ. A very good argument! the clippers have robbed the publick of a good part of their money (which men will, some time or other, find in the payments they receive) and it is desired the mint may have a liberty to be beforehand with those, to whom debts are owing. They

are told, they will have no reason to complain of it, who suffer this loss, because it is not so great as the other. The damage is already done to the publick, by clipping. Where at last it will light, I cannot tell. But men, who receive clipped money, not being forced to melt it down, do not yet receive any loss by it. When clipped money will no longer change for weighty, then those, who have clipped money in their hands, will find the loss of it.

Rem. 'It will make the customs better paid, because there will be more money.'

Answ. That there will be more money in tale, it is possible: that there will be more money in weight and worth, the author ought to shew. And then, whatever becomes of the customs, (which I do not hear are unpaid now) the king will lose in the excise above £30,000 per annum. For in all taxes where so many pounds, shillings, or pence are determined by the law to be paid, there the king will lose 5 per cent. The author here, as in other places, gives a good reason for it: for, 'his majesty being to pay away this money by tale, as he received it, it will be to him no loss at all.'

As if my receiving my rents in full tale, but in money of undervalue five per cent. were not so much loss to me, because I was to pay it away again by tale. Try it at 50 per cent the odds only is, that one being greater than the other, would make more noise. But the author's great refuge in this is, that it will not be perceived.

Rem. 'If all foreign commodities were to be purchased with this new species of money sent out; we agree, that with £100 of it, there could not be so much silver, or other commodities bought, as with £100 in crown-pieces as now coined, because they would be heavier; and all coin in any kingdom but where it is coined, only goes by weight; and for the same weight of silver, the same everywhere still will be bought; and so there will, with the same quantity of goods. And if those goods should cost 5 per cent. more here in England than heretofore, and yield but the same money (we mean by the ounce abroad) the same money brought home and coined, will yield the importer 5 per cent. more at the mint than it heretofore could do, and so no damage to the trader at all.'

Answ. Here truth forces from the author a confession of two things, which demonstrate the vanity and uselessness of the project. 1. That upon this change of your coin, foreign goods will be raised. Your own goods will cost more five per cent. So that goods of all kinds being thereupon raised; wherein consists the raising of your money, when an ounce of standard silver however minced, stamped, or denominated, will buy no more commodities than it did before? This confession also shews the falsehood of that dangerous supposition, that money, 'in the kingdom where it is coined, goes not by weight,' *i. e.* is not valued by its weight.

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Rem. 'It is true, the owners of silver will find a good market for it, and no others will be damaged; but, on the contrary, the making plenty of money will be an advantage to all.'

Answ. I grant it true, that if your money were really raised 5 per cent. the owners of silver would get so much by it, by bringing it to the mint to be coined. But since, as is confessed, commodities will (upon this raising your money) be raised to 5 per cent, this alteration will be an advantage to nobody, but the officers of the mint, and hoarders of money.

Rem. 'When standard silver was last raised at the mint, (which it was from 5s. to 5s. 2d. the ounce, in the 43d of Eliz.) and, for above forty years after, silver uncoined was not worth above 4s. 10d. the ounce which occasioned much coining; and of money, none in those days was exported: whereas silver now is worth but the very same 5s. 2d. the ounce still at the mint, and is worth 5s. 4d. elsewhere. So that if this bill now with the Lords does not happen to pass, there can never any silver be ever more coined at the mint; and all the milled money will, in a very little time more, be destroyed.'

Answ. The reason of so much money coined in queen Elizabeth's time, and afterwards, was not the lessening of your crown-pieces from 480 to 462 grains, and so proportionably all the rest of your money, (which is that the author calls raising standard silver from 5s. to 5s. 2d. the ounce) but from the over-balance of your trade, bringing them in plenty of bullion, and keeping it here.

How standard silver (for if the author speaks of other silver, it is a fallacy) should be worth its own weight in standard silver at the mint, (*i. e.* 5s. 2d. the ounce) and be worth more than its own weight in standard silver, (*i. e.* 5s. 4d. the ounce) in Lombard-street, is a paradox that nobody, I think, will be able to comprehend, till it be better explained. It is time to give off coining, if the value of standard silver be lessened by it; as it really is, if an ounce of coined standard silver, will not exchange for an ounce of uncoined standard silver, unless you add 15 or 16 grains overplus to it: which is what the author would have taken upon his word, when he says, 'Silver is worth 5s. 4d. elsewhere.'

5s. 4d. of money coined at the mint, the author must allow to be at least 495 grains. An ounce is but 480 grains. How then an ounce of uncoined standard silver, can be worth 5s. 4d. (*i. e.* how 480 grains of uncoined standard silver, can be worth 495 grains of the same standard silver, coined into money) is unintelligible; unless the coinage of our mint lessens the value of standard silver.

'SIR,—Coin and interest are two things of so great moment to the publick, and of so great concernment in trade, that they ought very accurately to be examined into, and very nicely weighed; upon any proposal of alteration to be made in them. I pretend not to have treated of

them here as they deserve. That must be the work of an abler hand, I have said something on these subjects, because you required it. And, I hope, the readiness of my obedience will excuse to you, the faults I have committed, and assure you that I am, Sir,

Your most humble servant,

JOHN LOCKE.

SHORT OBSERVATIONS ON A PRINTED PAPER,

(Verf. John Locke.)

ENTITULED,

'For encouraging the coining of silver money in England, and after for keeping it here.'

THE author says, 'Silver yielding the proposed 2d. or 3d. more by the ounce, than it will do by being coined into money, there will be none coined into money; and matter of fact shews there is none.'

It would be hard to know what he means, when he says, 'silver yields 2d. or 3d. more by the ounce, than it will do by being coined into money;' but that he tells us in plain words at the bottom of the leaf, 'that an ounce of silver uncoined, is of 2d. more value, than after it is coined it will be;' which I take the liberty to say, is so far from being true, that I affirm it is impossible to be so. For which I shall only give this short reason, viz., Because the stamp neither does, nor can take away any of the intrinsick value of the silver; and, therefore, an ounce of coined, standard silver, must necessarily be of equal value to an ounce of uncoined standard silver. For example; suppose a goldsmith has a round plate of standard silver, just of the shape, size and weight of a coined crown-piece, which, for brevity's sake we will suppose to be an ounce; this ounce of standard silver is certainly of equal value to any other ounce of unwrought, standard silver in his shop; away he goes with his round piece of silver to the Tower, and has there the stamp set upon it, when he brings this numerical piece back again to his shop coined, can any one imagine, that it is now 2d. less worth than it was, when he carried it out smooth, a quarter of an hour before; or, that it is not still of equal value to any other ounce of unwrought, standard silver in his shop? He that can say it is 2d. less worth, than it was before it had the king's image and inscription on it, may as well say, that 60 grains of silver, brought from the Tower, are worth but 58 grains of silver in Lombard-street.

But the author very warily limits this ill effect of coinage only to England; why it is so in England, and not everywhere, would deserve a reason.

But let us grant it to be true, as our author affirms, that coined silver in England is one thirtieth worse, or less value, than uncoined;

the natural consequence from this, if it be true, is, that it is very unfit that the mint should be employed in England, where it debases the silver one thirtieth; for, if the stamp lessens the value of our silver this year, it will also do so the next, and so on to the end of the world, it always working the same way. Nor will the altering the denomination, as is proposed, at all help it.

But yet he thinks he has some proof for his proposition, because it is matter of fact that there is no money coined at the mint. This is the great grievance, and is one indeed, but for a different reason from what seems to inspire that paper.

The matter in short is this; England sending more consumable commodities to Spain than it receives from thence, the merchants, who manage their trade, bring back the overplus in bullion, which at their return, they sell as a commodity. The chapmen, that give highest for this, are, as in all cases of buying and selling, those who can make most profit by it; and those are the returners of our money, by exchange, into those countries, where our debts, any way contracted, make a need of it: for they getting 6, 8, 10, &c. per cent. according to the want and demand of money from England there, and according to the risque of the sea, buy up this bullion, as soon as it comes in, to send it to their correspondents in those parts, to make good their credit for the bills they have drawn on them, and so can give more for it than the mint rate, i. e. more than an equal weight of milled money for an equal weight of standard bullion; they being able to make more profit of it by returns.

Suppose the balance of our trade with Holland were in all other commodities equal, but that in the last East-India sale we bought of them of East-India commodities to the value of a million, to be paid in a month; within a month a million must be returned into Holland, this presently raises the exchange, and the traders in exchange sell their bills at high rates; but the balance of trade being (as is supposed in the case), equal in all other commodities, this million can no way be repaid to their correspondents, on whom those bills were drawn, but by sending them money, or bullion, to reimburse them.

This is the true reason why the bullion, brought from Spain, is not carried to the mint to be coined, but bought by traders in foreign exchange, and exported by them, to supply the overplus of our expences there, which are not paid for by our commodities. Nor will the proposed raising of our money, as it is called, whether we coin our money for the future one-thirtieth, or one-twentieth, or one half lighter than now it is, bring one ounce more to the mint than now, whilst our affairs in this respect remain in the same posture. And I challenge the author to show that it will; for saying is but saying. Bullion can never come to the mint to be coined, whilst the over-balance of trade and foreign expences are so great, that to satisfy them,

not only the bullion, your trade in some parts now yearly brings in, but also some of your formerly coined money is requisite, and must be sent out: but when a change in that, brings in and lodges bullion here (for now it seems it only passes through England) the increase of silver and gold staying in England will again bring it to the mint to be coined.

This makes it easily intelligible, how it comes to pass, that, when now at the mint they can give but 5s. 2d. per ounce for silver, they can give 5s. 4d. the ounce in Lombard-street (which is what our author means when he says, 'silver is now worth but 5s. 2d. the ounce at the mint, and is worth 5s. 4d. elsewhere.') The reason whereof is plain, viz., Because the mint, giving weighty money for bullion, can give so much and no more for silver, than it is coined at, which is 5s. 2d. the ounce, the publick paying all the odds, that is between coined and uncoined silver, which is the manufacture of coinage: but the banker, or returner of money, having use for silver beyond sea, where he can make his profit of it, by answering bills of exchange, which he sells dear, must either send our money in specie, or melt down our coin to transport, or else with it buy bullion.

The sending our money in specie, or melting it down, has some hazard, and therefore, if he could have bullion for 5s. 2d. per ounce, or a little dearer, it is like he would always rather chuse to exchange coin for bullion, with some little loss, rather than run the risque of melting it down for exportation.

But this would scarce make him pay 2d. in the crown, which is almost three and an half per cent. if there were not something more in it, than barely the risque of melting, or exportation; and that is the lightness of the greatest part of our current coin. For example, N. has given bills for £30,000 sterling in Flanders, and so has need of ten thousand weight of silver to be transported thither; he has £30,000 sterling by him in ready money, whereof £5000 is weighty milled money; what shall hinder him then from throwing that into his melting-pot, and so reducing it to bullion, to be transported? But what shall he do for the other £25,000, which, though he has by him, is yet clipped and light money, that is at least twenty per cent. lighter than the standard? If he transports or melts down this, there is so much clear loss to him; it is therefore, more advantage to him to buy bullion at 5s. 4d. the ounce with that light money, than to transport, or melt it down; wherein, though the seller of the bullion has less weight in silver than he parts with, yet he finds his account, as much as if he received it in weighty coin, whilst a clipped crown-piece, or shilling, passes as well in payment for any commodity here in England as a milled one. Thus our mint is kept from coining.

But this paper, For encouraging the coining, &c. would fain have the mill at work, though there be no grist to be had, unless you will

grind over again what is ground already, and pay toll for it a second time ; a proposition fit only for the miller himself to make ; for the meanest housewife in the country would laugh at it, as soon as proposed. However, the author pleases himself, and thinks he has a good argument to make it pass, viz. because the toll to be paid for it will not amount to £330,000, as is said in a late treatise about raising the value of money, p. 170, for, says he, that writer is mistaken, in saying that, '3s. 6d. is allowed at the mint for the coinage of every pound troy,' whereas there is but sixteen pence halfpenny there allowed for the same ; which sixteen pence halfpenny being above one-third of 3s. 6d. it follows by his own computation, that the new coining our money will cost the nation above £110,000 ; a small sum, in this our plenty of riches, to be laid out for the purchasing these following inconveniences, without any the least advantage.

1. A loss to the king of one thirtieth (if you coin your money 2d. per crown, one twentieth, if you coin your money 3d. per crown lighter) of all his standing revenue.

2. A like loss of one twentieth, or one thirtieth, in all rents that are settled ; for these have, during the term, the nature of rent-sec : but five per cent. loss in a man's income he thinks so little, it will not be perceived.

3. Trouble to merchants in their trade. These inconveniences he is forced to allow. He might have said disorder to all people in their trade, though he says it will be but a little trouble to merchants, and without any real damage to trade. The author would have done well to have made out this, and a great many other assertions in that paper ; but saying is much easier, if that may pass for proof.

Indeed he has, by a short way, answered the book above-mentioned, in the conclusion of his paper, in these words : 'And he that so grossly mistakes in so material points of what he would assert, it is plain is not free from mistakes.' It does not appear that he, who published that book, ever thought himself free from mistakes : but he, that mistakes in two material points, may be in the right in two others, and those will still need an answer. But one of these material points will, I think, by what is already said, appear not to be a mistake ; and for anything the author of the paper hath said, or can say, it will always be true, that an ounce of silver coined, or not coined, is, and eternally will be, of equal value to any other ounce of silver. As to any other mistake, concerning the rate of coinage, it is like he had his information from some disinterested person, whom he thought worthy of credit. And whether it be 3s. 6d. as he was told, or only sixteen pence halfpenny per pound troy, as the paper says, whether the reader will believe the one, or the other, or think it worth his more exact inquiry, this is certain, the kingdom ought not to be at that, or any other charge, where there is no advantage, as there will be none in this proposed coinage, but quite the contrary.

In his answer to

Object. 1. He says from Edw. III. 'Silver has from time to time (as it grew in esteem) been by degrees raised in all mints.' If an ounce of silver now not exchanging, or paying for what one tenth of an ounce would have purchased in Edw. III.'s time, and so being ten times less worth now than it was then, be growing in esteem, this author is in the right; else silver has not since Edw. III.'s reign, from time to time grown in esteem. Be that as it will, he assigns a wrong cause of raising of silver, as he calls it, in our mint. For if growing thus in request, *i.e.* by lessening its value, had been the reason of altering our money, this change of coin, or raising the denomination of silver in ours, and other mints, ought to have been greater by much, since Henry VII.'s time, than it was between that and Edward III.'s; because the great change of the value of silver has been made, by the plenty of it poured into this part of the world from the West Indies, not discovered till Henry VII.'s reign. So that I think I may say, that the value of silver from Edward III. to Henry VII. changed not one tenth, but from Henry VII. till now it changed above seven tenths; and yet, money having been raised in our mint two thirds since Edward III.'s time, the far greater part of the raising of it was before Henry VII.'s time, and a very small part of it since; so that the cause, insinuated by our author, it is evident, was not the cause of lessening our coin so often, whatever it was: and it is possible there wanted not men of projects in those days, who for private ends, by wrong suggestions, and false reasonings, covered with mysterious terms, led those into mistakes, who had not the time and will nicely to examine; though a crown-piece three times as big as one of ours now, might, for its size alone, deserve to be reformed.

To Object. 2 he says, 'The raising the denomination of money in Spain and Portugal, was making it go for more when coined, than its true value.'

This, I say, is impossible, and desire the author to prove it. It did in Spain and Portugal, just what it will do here and everywhere; it made not the silver coined go for more than its value, in all things to be bought, but just so much as the denomination was raised, just so much less of commodity had the buyer in exchange for it: as it would be here, if you should coin sixpences into shillings; if any one went to market with this new money, he would find that, whereas he had a bushel of wheat last week for eight shillings of the former coin, he would have now but half a bushel for eight of the new shillings, when the same denomination had but half the quantity of silver. Indeed, those who were to receive money upon former contracts, would be defrauded of half their due, receiving in their full tale of any denomination contracted for, but half the silver they should have; the cheat whereof they would find, when they went to market with their new

money. For this I have above proved, that one ounce of silver is, and eternally will be, equal in value to another ounce of silver; and all that can possibly put a difference between them, is only the different value of the workmanship, bestowed on one more than another, which in coinage our author tells us in this paper is but sixteen pence halfpenny per pound troy. I demand, therefore, of our author to show that any sort of coinage, or, as he calls it, raising of money, can raise the value of coined silver, or make it go for more than uncoined, bating the charge of coinage; unless it be to those who, being to receive money upon former contracts, will, by receiving the tale agreed for, receive less than they should of silver, and so be defrauded of what they really contracted for.

What effect such a raising of their money had in one particular, I will tell our author. In Portugal they count their money by reys, a very small, or rather imaginary coin, just as if we here should count all our sums by farthings. It pleased the government, possibly being told that it would raise the value of their money, to raise in denomination the several species, and make them go for a greater (let us suppose double the) number of reys than formerly. What was the consequence? It not only confounded the property of the subject, and disturbed affairs to no purpose, but treaties of commerce having settled the rates of the customs at so many reys on the several commodities, the king immediately lost in the value half his customs. The same that in proportion will happen in the settled revenue of the crown here, upon the proposed change.

For though our author in these words, 'whereas all now desired by this act is, to keep silver, when coined, of the same value it was before,' would insinuate, that this raising the denomination, or lessening our coin, as is proposed, will do no such thing; yet it is demonstration, that when our coin is lessened 3d. in 5s. the king will receive five per cent. less in value in his customs, excise, and all his settled revenue, and so proportionably, as the quantity of silver, in every species of our coin, shall be made less than now it is coined in those of the same denomination.

But, whatever our author means by 'making money go for more when coined than its true value, or by keeping silver, when coined, of the same value it was before;' this is evident, that raising their money thus, by coining it with less silver in it than it had before, had not the effect in Portugal and Spain, which our author proposes from it here: for it has not brought one penny more to the mint there, nor kept their money, or silver, from exportation since, though forfeiture and death be the penalties joined in aid to this trick of raising to keep it in.

But our author tells us in answer to Object. 4. This 'will scarce ever at all be perceived.' If of 100 guineas a man has in his pocket, 5

should be picked out, so he should not perceive it, the fraud and the loss would not be one jot the less; and though he perceived it not when, or how it was done, yet he will find it in his accounts, and the going so much back in his estate at the end of the year.

To Object. 3. He says, The 'raising your coin (it may be) may raise the price of bullion here in England.' An ounce of silver will always be equal in value to an ounce of silver every where, bating the workmanship. I say it is impossible to be otherwise, and require our author to shew it possible in England, or any where, or else hereafter to spare his 'may be.' To avoid fallacies, I desire to be understood, when I use the word silver alone, to mean nothing but silver, and to lay aside the consideration of baser metals that may be mixed with it: for I do not say that an ounce of standard, that has almost one twelfth of copper in it, is of equal value with an ounce of fine silver that has no alloy at all; but that any two ounces of equally alloyed silver, will always be of equal value; the silver being the measure of commerce, it is the quantity of silver that is in every piece he receives, and not the denomination of it, which the merchant looks after, and values it by.

But this raising of the denomination our author would have pass, because it will be 'better for the possessors of bullion,' as he says, Answ. 3. But who are they who now in England are possessed of so much bullion? or what private men are there in England of that consideration, that for their advantage, all our money should be new coined, and of a less weight, with so great a charge to the nation, and loss to his majesty's revenue?

He farther adds, Answ. 3. It doth not thence inevitably follow, it will raise 'the price of bullion beyond sea.'

It will as inevitably follow, as that nineteen ounces of silver will never be equal in weight, or worth, to twenty ounces of silver: so much as you lessen your coin, so much more must you pay in tale, as will make the quantity of silver the merchant expects, for his commodity; under what denomination soever he receives it.

The clothier, thus buying his Spanish wool, oil, and labour, at five per cent. more in denomination, sells his woollen manufacture proportionably dearer to the English merchant, who exporting it to Spain, where their money is not changed, sells it at the usual market rate, and so brings home the same quantity of bullion for it, which he was wont; which, therefore, he must sell to you at the same raised value your money is at: and what then is gained by all this? The denomination is only changed, to the prejudice of the publick, but as to all the great matters of your trade, the same quantity of silver is paid for commodities as before, and they sold in their several foreign markets for the same quantity of silver. But whatever happens in the rate of foreign bullion, the raising of the denomination of our money, will

bring none of it to our mint to be coined; that depends on the balance of our trade, and not on lessening our coin under the same denomination: for whether the pieces we call crowns be coined 16, 24, or 100 grains lighter, it will be all one as to the value of bullion, or the bringing more, or less of it into England, or to our mint.

What he says in his answer to Object, 4, besides what we have already taken notice of, is partly against his bill, and partly mistake.

I. He says, 'It may be some (as it is now) gain to those, that will venture to melt down the milled and heavy money now coined.' That men do venture to melt down the milled and heavy money, is evident, from the small part of milled money is now to be found of that great quantity of it that has been coined; and a farther evidence is this, that milled money will now yield four, or five more per cent. than the other, which must be to melt down, and use as bullion, and not as money in ordinary payments. The reason whereof is, the shameful and horrible debasing (or, as our author would have it, raising) our unmilled money by clipping.

For the odds betwixt milled and unmilled money being now, modestly speaking, above 20 per cent. and bullion, for reasons elsewhere given, being not to be had, refiners, and such as have need of silver, find it the cheapest way to buy milled money for clipped, at four, five, or more per cent. loss.

I ask, therefore, this gentleman, what shall become of all our present milled and heavy money, upon the passing of this act? To which his paper almost confesses, what I will venture to answer for him, viz. that, as soon as such a law is passed, the milled and heavy money will all be melted down; for it being five per cent. heavier, i. e. more worth than what is to be coined in the mint, no body will carry it thither to receive five per cent. less for it, but sell it to such as will give four or four and a half per cent. more for it, and at that rate melt it down with advantage: for Lombard-street is too quick-sighted, to give sixty ounces of silver for fifty-seven ounces of silver, when bare throwing it into the melting-pot will make it change for its equal weight. So that by this law five per cent. gain on all our milled money, will be given to be shared between the possessor and the melter of our milled money, out of the honest creditor and landlord's pocket, who had the guaranty of the law, that under such a tale of pieces, of such a denomination as he let his land for, he should have to such a value, i. e. such a weight in silver. Now I ask, whether it be not a direct and unanswerable reason against this bill, that he confesses, that it will be, 'a gain to those, who will melt down the milled and heavy money,' with so much loss to the publick; and not, as he says, 'with very small loss to those, that shall be paid in the new,' unless he calls five per cent. very small loss; for just so much is it to receive but fifty-seven grains, or ounces of silver, for sixty, which is the proportion in making your crowns 3d. lighter.

This is certain, no body will pay away milled or weighty crowns for debts, or commodities, when it will yield him four, or five per cent. more ; so that which is now left of weighty money, being scattered up and down the kingdom, into private hands, which cannot tell how to melt it down, will be kept up and lost to our trade. And, as to your clipped and light money, will you make a new act for coinage, without taking any care for that? The making a new standard for your money, cannot do less than make all money, which is lighter than that standard, unpassable ; and thus the milled and heavy money not coming into payment, and the light, and clipped not being lawful money, according to the new standard, there must needs be a sudden stop of trade, and it is to be feared, a general confusion of affairs ; though our author says, 'it will not any ways interrupt trade.'

2. The latter part of the section, about raising the value of land, I take the liberty to say is a mistake ; which, though a sufficient reply to an assertion without proof, yet I shall not so far imitate this author, as barely to say things : and therefore, I shall add this reason for what I say, viz., Because nothing can truly raise the value, *i.e.*, the rent of land, but the increase of your money : but because raising the value of land is a phrase, which, by its uncertain sense, may deceive others, we may reckon up these several meanings of it.

1. The value of land is raised, when its intrinsick worth is increased, *i.e.*, when it is fitted to bring forth a greater quantity of any valuable product. And thus the value of land is raised only by good husbandry.

2. The value of land is raised, when remaining of the same fertility, it comes to yield more rent, and thus its value is raised only by a greater plenty of money and treasure.

3. Or it may be raised in our author's way, which is, by raising the rent in tale of pieces, but not in the quantity of silver received for it ; which, in truth, is no raising of it at all, any more than it could be accounted the raising of a man's rent, if he lett his land this year for forty sixpences, which last year he lett for twenty shillings. Nor would it alter the case, if he should call those forty sixpences forty shillings ; for having but half the silver of forty shillings in them, they would be but of half the value, however their denomination were changed.

In his answer to the fifth objection, there is this dangerous insinuation, That coin, in any country where it is coined, goes not by weight, *i.e.*, has its value from the stamp and denomination, and not the quantity of silver in it. Indeed in contracts already made, if your species be by law coined a fifth part lighter, under the same denomination, the creditor must take a hundred such light shillings, or twenty such light crown-pieces for £5, if the law calls them so, but he loses one fifth, in the intrinsick value of his debt. But, in bargains to be made, and things to be purchased, money has, and will always have

its value from the quantity of silver in it, and not from the stamp and denomination, as has been already proved, and will, some time or other be evidenced with a witness, in the clipped money. And if it were not so, that the value of money were not according to the quantity of silver in it, *i.e.*, that it goes by weight, I see no reason why clipping should be so severely punished.

As to foreigners, he is forced to confess, that it is all one what our money is, greater or less, who regard only the quantity of silver, they sell their goods for; how, then, can the lessening our money bring more plenty of bullion into England, or to the mint?

But he says, 'The owners and importers of silver will find a good market at the mint, &c.' But always a better in Lombard-street, and not a grain of it will come to the mint, as long as by an under-balance of trade, or other foreign expences, we contract debts beyond sea, which require the remitting of greater sums thither, than are imported in bullion. 'If for above forty years after silver was raised, in the forty-third year of Queen Elizabeth, from 5s. to 5s. 2d. the ounce, uncoined silver was not worth above 4s. 10d. per ounce;' the cause was not that raising of silver in the mint, but an over-balance of trade, which, bringing in an increase of silver yearly, for which men having no occasion abroad, brought it to the mint to be coined, rather than let it lie dead by them in bullion: and whenever that is the case again in England, it will occasion coining again, and not till then. 'No money was in those days exported,' says he; no, nor bullion neither, say I; why should, or how could it, when our exported merchandise paid for all the commodities we brought home, with an over-plus of silver and gold, which staying here, set the mint on work. But the passing this bill, will not hinder the exportation of one ounce either of bullion or money, which must go, if you contract debts beyond sea; and how its having been once melted in England, which is another thing proposed in this bill, shall hinder its exportation, is hard to conceive, when even coining has not been able to do it, as is demonstrable, if it be examined what vast sums of milled money have been coined, in the two last reigns, and how little of it is now left. Besides, if the exportation of bullion should be brought under any greater difficulty than of any other commodity, it is to be considered whether the management of that trade, which is in skilful hands, will not thereupon be so ordered, as to divert it from coming to England for the future, and cause it to be sent from Spain, directly to those places, where they know English debts will make it turn to best account, to answer bills of exchange sent thither.

(Verf.: John Locke.)

FURTHER CONSIDERATIONS

CONCERNING

RAISING THE VALUE OF MONEY.

Wherein Mr. Lowndes's arguments for it, in his late report concerning 'An essay for the amendment of the silver coins,' are particularly examined.

TO THE RIGHT HONOURABLE SIR JOHN SOMMERS, KNT.

Lord Keeper of the great seal of England, and one of his Majesty's most honourable privy-council.

MY LORD,—The papers I here present your lordship, are in substance the same with one which I delivered to you, in obedience to the commands I received, by your lordship, from their excellencies, the lords justices ; and with another, which I writ in answer to some questions your lordship was pleased to propose to me, concerning our coin. The approbation your lordship was pleased to give them then, has been an encouragement to me to revise them now, and put them in an order, fitter to comply with their desires, who will needs have me print something at this time on this subject : and could anything of this nature be received with indifferency in this age, the allowance they have had from your lordship, whose great and clear judgment is, with general consent and applause, acknowledged to be the just measure of right and wrong amongst us, might make me hope that they might pass in the world without any great dislike.

However, since your lordship thought they might be of use to clear some difficulties, and rectify some wrong notions, that are taken up about money, I have ventured them into the world, desiring no mercy to any erroneous positions, or wrong reasonings, which shall be found in them. I shall never knowingly be of any, but truth's and my country's side ; the former I shall always gladly embrace and own, whoever shews it me : and in these papers, I am sure, I have no other aim, but to do what little I can for the service of my country. Your lordship's so evidently preferring that to all other considerations, does, in the eyes of all men, sit so well upon you, that my ambition will not be blamed, if I in this propose to myself so great an example, and in my little sphere am moved by the same principle.

I have a long time foreseen the mischief and ruin coming upon us by clipped money, if it were not timely stopped : and had concern enough for the publick, to make me print some thoughts touching our coin, some years since. The principles I there went on, I see no reason to alter : they have, if I mistake not, their foundation in nature, and will stand : they have their foundation in nature, and are clear ; and will be so, in all the train of their consequences, throughout this whole (as it is thought) mysterious business of money, to all those, who will but be at the easy trouble of stripping this subject of hard, obscure, and doubtful words, wherewith men are often misled, and mislead others. And now the disorder is come to extremity, and can no longer be played with, I wish it may find a sudden and effectual cure, not a remedy in sound and appearance, which may flatter us on to ruin, in continuation of a growing mischief, that calls for present help.

I wish, too, that the remedy may be as easy as possible, and that the cure of this evil be not ordered so as to lay a great part of the burden unequally on those, who have had no particular hand in it. Westminster-hall is so great a witness of your lordship's unbiassed justice, and steady care to preserve to every one their right, that the world will not wonder you should not be for such a lessening our coin, as will, without any reason, deprive great numbers of blameless men of a fifth part of their estates, beyond the relief of Chancery. I hope this age will escape so great a blemish. I doubt not but there are many, who, for the service of their country, and for the support of the government, would gladly part with, not only one fifth, but a much larger portion of their estates. But, when it shall be taken from them, only to be bestowed on men, in their and the common opinion, no better deserving of their country than themselves, unless growing exceedingly rich by the publick necessities, which every body else finds his fortune streightened by them, be a publick merit, that deserves a publick and signal reward ; this loss of one fifth of their debts and income will sit heavy on them, who shall feel it, without the alleviation of any profit, or credit, that will thereby accrue to the nation, by such a lessening of our coin.

If anyone ask, how I, a retired, private man, come at this time to meddle with money and trade, for they are inseparable ? I reply, that your lordship, and the other great men, that put me upon it, are answerable for it : whether what I say be to the purpose, or no, that I myself am answerable for. This I can answer to all the world, that I have not said anything here, without a full persuasion of its truth ; nor with any other motive, or purpose, than the clearing of this artificially perplexed, rather than in itself mysterious, subject, as far as my poor talent reaches. That which, perhaps, I shall not be so well

able to answer to your lordship and myself, is the liberty I have taken, in such an address as this, to profess that I am, My Lord,

Your lordship's most humble, and most obedient servant,

JOHN LOCKE.

THE PREFACE.

THOUGH Mr. Lowndes and I differ in the way, yet, I assure myself, our end is the same; and that we both propose to ourselves the service of our country. He is a man known so able in the post he is in, to which the business of money peculiarly belongs; and has showed himself so learned in the records, and matters of the mint, and so exact in calculations and combinations of numbers relating to our coin, either already in use, or designed by him, that I think I should have troubled the publick no more on this subject, had not he himself engaged me in it; and brought it to that pass, that either I must be thought to renounce my own opinion, or must publicly oppose his.

Whilst his treatise was yet a manuscript, and before it was laid before those great persons, to whom it was afterwards submitted, he did me the favour to shew it to me; and made me the compliment, to ask me my opinion of it. Though we had some short discourse on the subject, yet the multiplicity of his business, whilst I staid in town, and my health, which soon after forced me out of it, allowed us not an occasion to debate any one point thoroughly, and bring it to an issue. Before I returned to town, his book was in the press, and finished, before I had an opportunity to see Mr. Lowndes again. And here he laid a new obligation on me, not only in giving me one of them, but telling me, when I received it from his hands, that it was the first he had parted with to anybody. I then went it over a second time, and having more leisure to consider it, I found there were a great many particulars in it drawn out of ancient records, not commonly known, wherewith he had obliged the world. These, which very pleasingly entertained me, though they prevailed not on me to be of his opinion everywhere, yet joined with the great civilities he had shewn me, left me in a disposition so little inclined to oppose anything in it, that I should rather have chosen to acknowledge myself in print, to be his convert, if his arguments had convinced me, than to have troubled the world with the reasons why I dissent from him.

In this disposition, my pen rested from meddling any further with this subject whilst I was in town; soon after, my own health, and the death of a friend, forced me into the country; and the business occasioned thereby, and my own private affairs, took up all my time at my first coming thither; and had continued on to do so, had not several repeated intimations and instances from London, not without some reproaches of my backwardness, made me see, that the world concerned

me particularly in Mr. Lowndes's postscript, and expected something from me on that occasion.

Though possibly I was not wholly out of his mind when Mr. Lowndes writ that invitation, yet I shall not make myself the compliment, to think I alone am concerned in it. The great importance of the matter, made him desire every one to contribute what he could to the clearing of it, and setting it in a true light. And I must do him this right, to think, that he prefers the publick good to his private opinion; and therefore is willing his proposals and arguments should with freedom be examined to the bottom; that, if there be any mistake in them, nobody may be misled by his reputation and authority, to the prejudice of his country. Thus I understand his postscript, and thus I shall endeavour to comply with it. I shall to the best of my skill, examine his arguments with all respect to him, and fidelity to truth, as far as I can discover it. The frankness of his proceeding in particular with me, assures me he is so great a lover of truth and right, that he will not think himself injured when that is defended; and will be glad, when it is made plain, by whose hand soever it be.

This is what has made me publish these papers, without any derogation to Mr. Lowndes, or so much as a suspicion that he will take it amiss. I judge of him by myself. For I shall think myself obliged to any one, who shall shew me or the public, any material mistake in anything I have here said, whereon any part of the question turns.

FURTHER CONSIDERATIONS CONCERNING RAISING THE VALUE OF MONEY.

SILVER is the instrument and measure of commerce in all the civilized and trading parts of the world.

It is the instrument of commerce by its intrinsick value.

The intrinsick value of silver, considered as money, is that estimate which common consent has placed on it, whereby it is made equivalent to all other things, and consequently is the universal barter, or exchange, which men give and receive for other things, they would purchase or part with, for a valuable consideration: and thus, as the wise man tells us, money answers all things.

Silver is the measure of commerce by its quantity, which is the measure also of its intrinsick value. If one grain of silver has an intrinsick value in it, two grains of silver has double that intrinsick value, and three grains treble, and so on proportionably. This we have daily experience of, in common buying and selling. For if one ounce of silver will buy, *i.e.* is of equal value to, one bushel of wheat, two ounces of silver will buy two bushels of the same wheat, *i.e.* has double the value.

Hence it is evident, that an equal quantity of silver is always of equal value to an equal quantity of silver.

This, common sense, as well as the market, teaches us. For silver being all of the same nature and goodness, having all the same qualities, it is impossible but it should in the same quantity have the same value. For, if a less quantity of any commodity be allowed to be equal in value to a greater quantity of the same sort of commodity, it must be for some good quality it has, which the other wants. But silver to silver has no such difference.

Here it will be asked, is not some silver finer than other ?

I answer, one mass of mixed metal not discerned by the eye to be anything but silver, and therefore called silver, may have a less mixture of baser metal in it than another, and so in common speech is said to be finer silver. So ducatoons, having a less mixture of copper in them than our English coin has, are said to be finer silver. But the truth is, the silver that is in each is equally fine, as will appear when the baser metal is separate from it. And it is of this pure, or fine silver, I must be understood, when I mention silver ; not regarding the copper, or lead, which may chance to be mixed with it. For example : Take an ounce of silver, and one fourth of an ounce of copper and melt them together, one may say of the whole mass, that it is not fine silver ; but it is true, there is an ounce of fine silver in it ; and though this mass, weighing one ounce and a quarter, be not of equal value to one ounce and a quarter of fine silver, yet the ounce of fine silver in it, is, when separate from the copper, of equal value to any other ounce of silver.

By this measure of commerce, viz. the quantity of silver, men measure the value of all other things. Thus to measure what the value of lead is to wheat, and of either of them to a certain sort of linen cloth ; the quantity of silver, that each is valued at, or sells for, need only be known. For, if a yard of cloth be sold for half an ounce of silver, a bushel of wheat for one ounce, and a hundred weight of lead for two ounces ; any one presently sees and says, that a bushel of wheat is double the value of a yard of that cloth, and but half the value of an hundred weight of lead.

Some are of opinion, that this measure of commerce, like all other measures, is arbitrary, and may at pleasure be varied, by putting more, or fewer grains of silver, in pieces of a known denomination, v. g. by making a penny, or a shilling lighter, or heavier in silver, in a country where these are known denominations of pieces of silver money. But they will be of another mind, when they consider, that silver is a measure of a nature quite different from all other. The yard, or quart men measure by, may rest indifferently in the buyers or sellers, or a third person's hands, it matters not whose it is. But it is not so in silver : it is the thing bargained for, as well as the measure of the bargain ; and in commerce passes from the buyer to the seller, as being in such a quantity equivalent to the thing sold : and so it not only measures the value of the commodity it is applied to, but is given in exchange for

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it, as of equal value. But this it does, (as is visible) only by its quantity, and nothing else. For it must be remembered, that silver is the instrument, as well as measure, of commerce, and is given in exchange for the things traded for: and, everyone desiring to get as much as he can of it, for any commodity he sells, it is by the quantity of silver, he gets for it in exchange, and by nothing else, that he measures the value of the commodity he sells.

The coining of silver, or making money of it, is the ascertaining of its quantity by a publick mark, the better to fit it for commerce.

In coined silver, or money, there are these three things, which are wanting in other silver. 1. Pieces of exactly the same weight and fineness. 2. A stamp, set on those pieces by the publick authority of that country. 3. A known denomination given to these pieces by the same authority.

The stamp is a mark, and as it were a publick voucher, that a piece of such denomination is of such a weight, and of such a fineness, *i. e.* has so much silver in it.

That precise weight and fineness, by law appropriated to the pieces of each denomination, is called the standard.

Fine silver is silver without the mixture of any baser metal.

Alloy is baser metal mixed with it.

The fineness of any metal appearing to be silver, and so called, is the proportion of silver in it, compared with what there is in it of baser metals.

The fineness of standard silver in England, is eleven parts silver and one part copper, near: or, to speak more exactly, the proportion of silver to copper, is as 111 to 9. Whatever piece, or mass, has in it of baser metal, above the proportion of 9 to 111, is worse, or coarser than standard. Whatever mass of metal has a less proportion than 9 to 111, of baser metal in it, is better, or finer than standard.

Since silver is the thing sought for, and would better serve for the measure of commerce, if it were unmixed, it will possibly be asked, 'why any mixture of baser metal is allowed in money, and what use is there of such alloy, which serves to make the quantity of silver less known, in the several coins of different countries?'

Perhaps it would have been better for commerce in general, and more convenient for all their subjects, if the princes every where, or at least in this part of the world, would at first have agreed on the fineness of the standard to have been just one twelfth alloy, in round numbers: without those minuter fractions which are to be found in the alloy of most of the coin of the several distinct dominions of this part of the world. Which broken proportion of baser metal to silver, in the standard of the several mints, seems to have been introduced by the skill of men employed in coining, to keep that art (as all trades are called), a mystery; rather than for any use, or necessity there was

of such broken numbers. But, be that as it will, the standard in our mint being now settled by authority, and established by custom, known at home and abroad, and the rules and methods of assaying suited to it; and all the wrought plate, as well as coin of England, being made by that measure; it is of great concernment that it should remain unvariable.

But to the question; 'What need is there of any mixture of baser metal with silver in money or plate?' I answer, there is great reason for it. For,

1. Copper mixed with silver makes it harder, and so wears and wastes less in use, than if it were fine silver. 2. It melts easier. 3. Silver, as it is drawn and melted from the mine, being seldom perfectly fine, it would be a great charge by refining, to separate all the baser metals from it, and reduce it to perfectly unmixed silver.

The use of coined silver, or money is, that every man in the country where it is current by publick authority, may, without the trouble of refining, assaying, or weighing, be assured, what quantity of silver he gives, receives, or contracts for, under such and such denominations.

If this security goes not along with the publick stamp, coining is labour to no purpose, and puts no difference between coined money, and uncoined bullion. This is so obvious, that I think no government, where money is coined, ever overlooks it. And therefore, the laws every where, when the quantity of silver has been lessened in any piece carrying the publick stamp, by clipping, washing, rounding, &c. have taken off the authority of the publick stamp, and declared it not to be lawful money. This is known to be so in England, and every one may not only refuse any money bearing the publick stamp, if it be clipped, or any ways robbed of the due weight of its silver; but he that offers it in payment is liable to indictment, fine, and imprisonment. From whence we may see, that the use and end of the publick stamp is only to be a guard and voucher of the quantity of silver, which men contract for. And the injury done to the publick faith, in this point, is that which in clipping and false coining heightens the robbery into treason.

Men in their bargains contract not for denominations, or sounds, but for the intrinsic value; which is the quantity of silver, by publick authority warranted to be in pieces of such denominations. And it is by having a greater quantity of silver, that men thrive and grow richer, and not by having a greater number of denominations; which, when they come to have need of their money, will prove but empty sounds, if they do not carry with them the real quantity of silver expected.

The standard once settled by publick authority, the quantity of silver established under the several denominations (I humbly conceive) should not be altered till there were an absolute necessity shewn of such a change, which I think can never be.

The reason why it should not be changed, is this; because the publick authority is guarantee for the performance of all legal contracts. But men are absolved from the performance of their legal contracts, if the quantity of silver under settled and legal denominations be altered: as is evident, if borrowing £100 or 400 ounces of silver, to repay the same quantity of silver (for that is understood by the same sum, and so the law warrants it), or taking a lease of lands for years to come, at the like rent of £100, they shall pay, both the one and the other, in money coined under the same denominations, with one-fifth less silver in it, than at the time of the bargain: the landlord here and creditor are each defrauded of twenty per cent. of what they contracted for, and is their due. And I ask, how much juster it would be thus to dissolve the contracts they had made, than to make a law, that from henceforth all landlords and creditors should be paid their past debts, and the rents for leases already made, in clipped money, twenty per cent. lighter than it should be? Both ways they lose twenty per cent. of their due, and with equal justice.

The case would be the same, and legal contracts be avoided, if the standard should be altered, on the other side, and each species of our coin be made one-fifth heavier. For then, he that had borrowed, or contracted for any sum, could not be discharged, by paying the quantity he agreed for, but be liable to be forced to pay twenty per cent. more than he bargained for, that is, more than he ought.

On the other side: Whether the creditor be forced to receive less, or the debtor be forced to pay more than his contract, the damage and injury is the same, whenever a man is defrauded of his due. And whether this will not be a publick failure of justice, thus arbitrarily to give one man's right and possession to another, without any fault on the suffering man's side, and without any the least advantage to the publick, I shall leave to be considered.

Raising of coin is but a specious word to deceive the unwary. It only gives the usual denomination of a greater quantity of silver to a less, (*v.g.*, calling four grains of silver a penny to-day, when five grains of silver made a penny yesterday) but adds no worth or real value to the silver coin to make amends for its want of silver. That is impossible to be done. For it is only the quantity of silver in it that is, and eternally will be, the measure of its value. And to convince any one of this, I ask whether he, that is forced to receive but 320 ounces of silver under the denomination of £100 (for 400 ounces of silver which he lent under the like denomination of £100) will think these 320 ounces of silver, however denominated, worth those 400 ounces he lent? If any one can be supposed so silly, he need but go to the next market, or shop, to be convinced, that men value not money by the denomination, but by the quantity of silver there is in it. One may as rationally hope to lengthen a foot, by dividing it into fifteen parts, in-

stead of twelve, and calling them inches, as to increase the value of the silver, that is in a shilling, by dividing it in fifteen parts instead of twelve, and calling them pence. This is all that is done when a shilling is raised from twelve to fifteen pence.

Clipping of money is raising it without publick authority, the same denomination remaining to the piece that hath now less silver in it than it had before.

Altering the standard, by coining pieces under the same denomination with less silver in them than they formerly had, is doing the same thing by publick authority. The only odds is, that by clipping, the loss is not forced on any one, (for no body is obliged to receive clipped money;) by altering the standard, it is.

Altering the standard, by raising the money, will not get to the publick, or bring to the mint to be coined, one ounce of silver: but will defraud the king, the church, the universities and hospitals, &c. of so much of their settled revenue, as the money is raised, *v.g.* twenty per cent. if the money (as is proposed) be raised one fifth. It will weaken, if not totally destroy the publick faith, when all that have trusted the publick, and assisted our present necessities, upon acts of parliament, in the million lottery, bank act, and other loans, shall be defrauded of twenty per cent. of what those acts of parliament were security for. And to conclude, this raising our money will defraud all private men of twenty per cent. in all their debts and settled revenues.

Clipping, by Englishmen, is robbing the honest man who receives clipped money, and transferring the silver, *i.e.*, the value is pared off from it into the clipper's pocket. Clipping by foreigners is robbing England itself. And thus the Spaniards lately robbed Portugal of a great part of its treasure, or commodities (which is the same thing) by importing upon them clipped money of the Portugal stamp.

Clipping, and clipped money, have, besides this robbery of the publick, other great inconveniences: as the disordering of trade, raising foreign exchange, and a general disturbance, which every one feels thereby in his private affairs.

Clipping is so gainful, and so secret a robbery, that penalties cannot restrain it, as we see by experience.

Nothing, I humbly conceive, can put a stop to clipping, now it is grown so universal, and men become so skilful in it, but making it unprofitable.

Nothing can make clipping unprofitable, but making all light money go only for its weight. This stops clipping in a moment, brings out all the milled and weighty money, deprives us not of any part of our clipped money for the use of trade, and brings it orderly, and by degrees, and without force, into the mint to be recoined.

If clipped money be called in all at once, and stopped from passing by weight, I fear it will stop trade, put our affairs all at a stand, and in-

roduce confusion. Whereas, if it be permitted to pass by its weight, till it can by degrees be coined, (the stamp securing its fineness, as well then as now, and the scales determining its weight) it will serve for paying of great sums, as commodiously almost as weighty money, and the weighty money, being then brought out, will serve for the market trade, and less payment, and also to weigh the clipped money by.

On the other side ; If clipped money be allowed to pass current by tale, till it be all recoined, one of these two effects will apparently follow : either that we shall want money for trade, as the clipped money decreases, by being coined into weighty ; (for very few, if any body, who get weighty money into their hands, will part with it, whilst clipped money, not of half the value, is current) or if they do the coiners and clippers will pick it up, and new coin and clip it, whereby clipped money will be increased. So that, by this way, either money will be wanting to trade, or clipped money continued. If clipped money be stopped all at once, there is immediately a stop to trade. If it be permitted to pass in tale, as if it were lawful, weighty money, whilst it is recoinng, and till all be recoined, that way also there will be an end of trade, or no end of clipped money. But, if it be made to pass for its weight, till it be all recoined, both these evils are avoided, and the weighty money, which we want, will be brought out to boot.

Money is necessary to the carrying on of trade. For where money fails, men cannot buy, and trade stops.

Credit will supply the defect of it to some small degree, for a little while. But, credit being nothing but the expectation of money within some limited time, money must be had, or credit will fail.

Money also is necessary to us, in a certain proportion to the plenty of it amongst our neighbours. For, if any of our neighbours have it in a much greater abundance than we, we are many ways obnoxious to them. 1. They can maintain a greater force. 2. They can tempt away our people, by greater wages, to serve them by land, or sea, or in any labour. 3. They can command the markets, and thereby break our trade, and make us poor. 4. They can on any occasion ingross naval and warlike stores, and thereby endanger us.

In countries where domestic mines do not supply it, nothing can bring in silver but tribute, or trade. Tribute is the effect of conquest : trade, of skill and industry.

By commerce silver is brought in, only by an over-balance of trade.

An over-balance of trade, is when the quantity of commodities, which we send to any country, do more than pay for those we bring from thence ; for then the overplus is brought home in bullion.

Bullion is silver, whose workmanship has no value. And thus foreign coin hath no value here for its stamp, and our coin is bullion in foreign dominions.

It is useless and labour in vain, to coin silver, imported into any country, where it is not to stay.

Silver imported cannot stay in any country in which, by an overbalance of their whole trade, it is not made theirs, and doth not become a real increase of their wealth.

If, by a general balance of its trade, England yearly sends out commodities to the value of 400,000 ounces of silver, more than the commodities we bring home from abroad cost us ; there is £100,000 every year clear again : which will come home in money, by a real increase of our wealth, and will stay here.

On the other side, if, upon a general balance of our whole trade, we yearly import commodities from other parts, to the value of £100,000 more than our commodities exported pay for, we every year grow £100,000 poorer. And if, besides that, we should also import a million in bullion from Spain every year, yet it is not ours ; it is no increase to our wealth, nor can it stay here ; but must be exported again, every grain of it, with £100,000 of our own money to boot.

I have heard it proposed, as a way to keep our money here, that we should pay our debts contracted beyond seas, by bills of exchange.

The idleness of such a proposition will appear, when the nature of exchange is a little considered.

Foreign exchange is the paying of money in one country, to receive it in another.

The exchange is high, when a man pays for bills of exchange above the par. It is low, when he pays less than the par.

The par is a certain number of pieces of the coin of one country, containing in them an equal quantity of silver to that in another number of pieces, of the coin of another country : v. g. supposing 36 skillings of Holland to have just as much silver in them as 20 English shillings. Bills of exchange drawn from England to Holland at the rate of 36 skillings Dutch for each pound sterling, is according to the par. He that pays the money here, and receives it there, neither gets nor loses by the exchange ; but receives just the same quantity of silver in the one place, that he parts with in the other. But, if he pays one pound sterling to receive but 30 skillings in Holland, he pays one sixth more than the par, and so pays one sixth more silver for the exchange, let the sum be what it will.

The reason of high exchange, is the buying much commodities in any foreign country, beyond the value of what that country takes of ours. This makes Englishmen have need of great sums there, and this raises the exchange, or price of bills. For what grows more into demand, increases presently in price.

Returning money by exchange, into foreign parts, keeps not one farthing from going out : it only prevents the more troublesome and hazardous way of sending money in specie, forwards and backwards. Bills

of exchange more commodiously, by scrips of paper, even the accounts between particular debtors and creditors, in different countries, as far as the commerce between those two places is equivalent: but where the over-balance, on either side, demands payment, their bills of exchange can do nothing; but bullion, or money in specie must be sent. For in a country where we owe money, and have no debts owing to us, bills will not find credit, but for a short time, till money can be sent to reimburse those that paid them; unless we can think men beyond sea will part with their money for nothing. If the traders of England owe their correspondents of Holland £100,000, their accounts with all the rest of the world standing equal, and remaining so, one farthing of this £100,000 cannot be paid by bills of exchange. For example, I owe £1000 of it; and to pay that, buy a bill of N. here, drawn on John de Wit of Amsterdam, to pay P. Van Lore, my correspondent there. The money is paid accordingly, and thereby I am out of Van Lore's debt; but one farthing of the debt of England to Holland is not thereby paid; for N. of whom I bought the bill of exchange, is now as much indebted to John de Wit, as I was before to P. Van Lore. Particular debtors and creditors are only changed by bills of exchange; but the debt, owing from one country to the other, cannot be paid without real effects sent thither to that value, either in commodities, or money. Where the balance of trade barely pays for commodities with commodities, there money must be sent, or else the debt cannot be paid.

I have spoke of silver coin alone, because that makes the money of account, and measure of trade, all through the world. For all contracts are, I think, every where made, and accounts kept in silver coin. I am sure they are so in England and the neighbouring countries.

Silver therefore, and silver alone, is the measure of commerce. Two metals, as gold and silver, cannot be the measure of commerce both together, in any country: because the measure of commerce must be perpetually the same, invariable, and keeping the same proportion of value in all its parts. But so only one metal does, or can do to itself: so silver is to silver, and gold to gold. An ounce of silver is always of equal value to an ounce of silver, and an ounce of gold to an ounce of gold; and two ounces of the one, or the other, of double the value to an ounce of the same. But gold and silver change their value one to another: for supposing them to be in value as sixteen to one now; perhaps the next month they may be as fifteen and three quarters, or fifteen and seven eighths to one. And one may as well make a measure, v. g. a yard, whose parts lengthen and shrink, as a measure of trade of materials that have not always a settled, unvariable value to one another.

One metal, therefore, alone can be the money of account and contract, and the measure of commerce in any country. The fittest for this use, of all other, is silver, for many reasons, which need not here

be mentioned. It is enough that the world has agreed in it, and made it their common money; and as the Indians rightly call it, measure. All other metals, gold, as well as lead, are but commodities.

Commodities are moveables, valuable by money, the common measure.

Gold, though not the money of the world, and the measure of commerce, nor fit to be so, yet may, and ought to be coined, to ascertain its weight and fineness; and such coin may safely have a price, as well as a stamp set upon it, by publick authority; so the value set be under the market-price. For then such pieces coined, will be a commodity as passable as silver money, very little varying in their price: as guineas which were coined at the value of 20s., but passed usually for between 21s. or 22s. according to the current rate; but not having so high a value put upon them by the law, no body could be forced to take them to their loss at 21s. 6d. if the price of gold should happen at any time to be cheaper.

From what has been said, I think it appears,

1. That silver is that which mankind have agreed on, to take and give in exchange for all other commodities, as an equivalent.
2. That it is by the quantity of silver they give, or take, or contract for, that they estimate the value of other things, and satisfy for them; and thus, by its quantity, silver becomes the measure of commerce.
3. Hence it necessarily follows, that a greater quantity of silver has a greater value; a less quantity of silver has a less value; and an equal quantity an equal value.
4. That money differs from uncoined silver only in this, that the quantity of silver in each piece of money, is ascertained by the stamp it bears: which is set there to be a publick voucher of its weight and fineness.
5. That gold is treasure, as well as silver, because it decays not in keeping, and never sinks much in its value.
6. That gold is fit to be coined, as well as silver; to ascertain its quantity to those who have a mind to traffick in it; but not fit to be joined with silver, as a measure of commerce.
7. That jewels too are treasure, because they keep without decay; and have constantly a great value, in proportion to their bulk: but cannot be used for money, because their value is not measured by their quantity, nor can they, as gold and silver, be divided, and keep their value.
8. The other metals are not treasure, because they decay in keeping and because of their plenty; which makes their value little in a great bulk; and so unfit for money, commerce, and carriage.
9. That the only way to bring treasure into England, is the well ordering our trade.
10. That the only way to bring silver and gold to the mint, for the

increase of our stock of money and treasure, which shall stay here, is an over-balance of our whole trade. All other ways to increase our money and riches, are but projects that will fail us.

These things premised, I shall now proceed to shew wherein I differ from Mr. Lowndes, and upon what grounds I do so.

Mr. Lowndes proposes, that our money should be raised (as it is called) one-fifth : that is, That all our present denominations of money, as penny, shilling, half-crown, crown, &c. should have each one-fifth less silver in it, or be answered with coin of one-fifth less value. How he proposes to have it done, I shall consider hereafter. I shall at present only examine the reasons he gives for it.

His first reason, p. 68, he gives us in these words, 'The value of the silver in coin ought to be raised to the foot of 6s. 3d. in every crown ; because the price of standard silver in bullion is raised to 6s. 5d. an ounce.'

This reason seems to me to labour under several great mistakes ; as
1. That standard silver can rise in respect of itself.

2. That standard bullion is now, or ever was worth, or sold to the traders in it for 6s. 5d. the ounce, of lawful money of England. For if that matter of fact holds not to be so, that an ounce of sterling bullion is worth 6s. 5d. of our milled weighty money, this reason ceases : and our weighty crown-pieces ought not to be raised to 6s. 3d. because our light, clipped money will not purchase an ounce of standard bullion, under the rate of 6s. 5d. of that light money. And let me add here, nor for that rate neither. If therefore, the author means here, that an ounce of standard silver is risen to 6s. 5d. of our clipped money, I grant it him, and higher too. But then, that has nothing to do with the raising our lawful coin, which remains unclipped ; unless he will say too, that standard bullion is so risen, as to be worth, and actually to sell for 6s. 5d. the ounce of our weighty milled money. This I not only deny, but farther add, that it is impossible to be so. For 6s. 5d. of milled money weighs an ounce and a quarter near. Can it therefore be possible, that one ounce of any commodity, should be worth an ounce and a quarter of the self same commodity, and of exactly the same goodness ? For so is standard silver to standard silver. Indeed one has a mark upon it, which the other has not ; but it is a mark that makes it rather more, than less valuable : or if the mark, by hindering its exportation, makes it less valuable for that purpose, the melting-pot can easily take it off.

The complaint made of melting down our weighty money, answers this reason evidently. For can it be supposed, that a goldsmith will give one ounce and a quarter of coined silver, for one ounce of bullion ; when by putting it into his melting-pot, he can, for less than a penny charge, make it bullion ? (For it is always to be remembered, what I think is made clear, that the value of silver, considered as it is money, and the measure of commerce, is nothing but its quantity.) And

thus a milled shilling, which has double the weight of silver in it to a current shilling, whereof half the silver is clipped away, has double the value. And to shew that this is so, I will undertake, that any merchant, who has bullion to sell, shall sell it for a great deal less number of shillings in tale, to any one who will contract to pay him in milled money, than if he be paid in the current, clipped money.

Those who say bullion is risen, I desire to tell me, what they mean by risen? Any commodity, I think, is properly said to be risen, when the same quantity will exchange for a greater quantity of another thing; but more particularly of that thing, which is the measure of commerce in the country. And thus corn is said to be risen among the English in Virginia, when a bushel of it will sell, or exchange for more pounds of tobacco; amongst the Indians, when it will sell for more yards of wampompeak, which is their money; and amongst the English here, when it will exchange for a greater quantity of silver than it would before. Rising and falling of commodities, is always between several commodities of distinct worths. But nobody can say, that tobacco (of the same goodness) is risen in respect of itself. One pound of the same goodness will never exchange for a pound and a quarter of the same goodness. And so it is in silver: an ounce of silver will always be of equal value to an ounce of silver: nor can it ever rise, or fall, in respect of itself: an ounce of standard silver can never be worth an ounce and a quarter of standard silver; nor one ounce of uncoined silver, exchange for an ounce and a quarter of coined silver: the stamp cannot so much debase its value. Indeed the stamp, hindering its free exportation, may make the goldsmith (who profits by the return of money) give one hundred and twentieth, or one sixtieth, or perhaps, sometimes, one thirtieth more, that is 5s. 2½d., 5s. 3d., or 5s. 4d., the ounce of coined silver for uncoined, when there is need of sending silver beyond seas; as there always is, when the balance of trade will not supply our wants, and pay our debts there. But much beyond this, the goldsmith will never give for bullion, since he can make it out of coined money at a cheaper rate.

It is said, bullion is risen to 6s. 5d. the ounce, *i.e.*, that an ounce of uncoined silver will exchange for an ounce and a quarter of coined silver. If any one can believe this, I will put this short case to him. He has of bullion, or standard, uncoined silver, two round plates, each of an exact size and weight of a crown-piece: he has besides, of the same bullion, a round plate of the weight and size of a shilling, and another yet less, of an exact weight and size of a three-pence. The two great plates being of equal weight and fineness, I suppose he will allow to be of equal value, and that the two less, joined to either of them, make it one fifth more worth than the other is by itself, they having all three together one-fifth more silver in them.

Let us suppose, then, one of the greater, and the two less plates to have received the next moment, (by miracle, or by the mill, it matters not how,) the mark, or stamp, of our crown, our shilling, and our three-pence : can anybody say, that now they have got the stamp of our mint upon them, they are so fallen in value, or the other unstamped piece so risen, that that unstamped piece, which a moment before was worth only one of the other pieces, is now worth them all three? Which is to say, that an ounce of uncoined silver, is worth an ounce and a quarter of coined. This is what men would persuade us, when they say, that bullion is raised to 6s. 5d. (of lawful money) the ounce, which I say is utterly impossible. Let us consider this a little further, in another instance. The present milled crown-piece, say they, will not exchange for an ounce of bullion, without the addition of a shilling and a three-pence of weighty coin added to it. Coin but that crown-piece into 6s. 3d., and then they say it will buy an ounce of bullion, or else they give up their reason and measure of raising the money. Do that which is allowed to be equivalent to coining of a present milled crown-piece into 6s. 3d., viz. call it 75 pence, and then also it must by this rule of raising buy an ounce of bullion. If this be so, the self-same milled crown-piece will, and will not exchange for an ounce of bullion. Call it 60 pence, and it will not : the very next moment call it 75 pence, and it will. I am afraid nobody can think, change of denomination has such power.

Mr. Lowndes supports this, his first reason, with these words, p. 68. 'This reason, which I humbly conceive will appear irrefragable, is grounded upon a truth so apparent, that it may well be compared to an axiom, even in mathematical reasoning ; to wit, that whensoever the intrinsic value of silver in the coin hath been, or shall be, less than the price of silver in bullion, the coin hath, and will be melted down.'

This I think, though it be allowed Mr. Lowndes for as apparent a truth, and as certain a maxim as he could wish, yet serves not at all to his purpose of lessening the coin. For when the coin is, as it should be, according to the standard, (let the standard be what it will,) weighty and unclipped, it is impossible that the value of coined silver should be less than the value, or price of uncoined ; because, as I have shewn, the value and quantity of silver are the same : and where the quantities are equal, the values are equal, excepting only the odds that may be between bullion that may be freely exported, and coined silver that may not ; the odds whereof scarce ever amounts to above 2d. per ounce, and rarely to above a penny, or an half-penny. And this odds (whatever it be) will equally belong to his raised, milled money, which cannot be exported, as it will to our perfect milled money, which cannot be exported, as I shall have occasion to shew more particularly hereafter. All this disorder, and a thousand others, comes from light

and unlawful money being current. For then it is no wonder that bullion should be kept up to the value of your clipped money; that is, that bullion should not be sold by the ounce for less than 6s. 5d., when that 6s. 5d. clipped money, paid for it, does not weigh above an ounce. This instance therefore, of the present price of bullion, proves nothing but that the quantity of silver in money governs the value of it, and not the denomination; as appears, when clipped money is brought to buy bullion. This is a fair trial: silver is set against silver, and by that is seen, whether clipped money be of the same value with weighty of the same denomination, or whether it be not the quantity of silver in it that regulates its value.

I cannot but wonder that Mr. Lowndes, a man so well skilled in the law, especially of the mint, the exchequer, and of our money, should all along in this argument speak of clipped money, as if it were the lawful money of England; and should propose by that (which is in effect by the clipper's sheers) to regulate a new sort of coin to be introduced into England. And if he will stand to that measure, and lessen the new coin to the rate of bullion sold in exchange for present, current, clipped money, to prevent its being melted down, he must make it yet much lighter than he proposes; so that raising it, or to give it its due name, that of lessening of it one fifth, will not serve the turn: for I will be bold to say, that bullion now in England, is no where to be bought by the ounce for 6s. 5d. of our present, current, clipped money. So that if his rule be true, and nothing can save the weighty coin from melting down, but reducing it to the weight that clipped money is brought to, he must lessen the money in his new coin much more than one fifth; for an ounce of standard bullion will always be worth an ounce of clipped money, whether that in tale amount to 6s. 5d. 6s. 6d. 10s. or any other number of shillings, or pence, of the nick-named clipped money. For a piece of silver, that was coined for a shilling, but has half the silver clipped off, in the law, and in propriety of speech, is no more a shilling than a piece of wood, which was once a sealed yard, is still a yard, when one half of it is broke off.

Let us consider this maxim a little farther: which out of the language of the mint, in plain English, I think amounts to thus much, viz. 'That when an ounce of standard bullion costs a greater number of pence in tale, than an ounce of that bullion can be coined into, by the standard of the mint, the coin will be melted down.' I grant it, if bullion should rise to 15 pence the ounce above 5s. 2d. as is now pretended; which is to say, that an ounce of bullion cannot be bought for less than an ounce and a quarter of the like silver coined. But that, as I have shewed, is impossible to be: and every one would be convinced of the contrary, if we had none now but lawful money current. But it is no wonder, if the price and value of things be confounded and uncertain, when the measure itself is lost. For we have

now no lawful silver money current amongst us ; and therefore cannot talk, nor judge right, by our present uncertain, clipped money, of the value and price of things, in reference to our lawful, regular coin, adjusted and kept to the unvarying standard of the mint. The price of silver in bullion above the value of silver in coin, when clipping has not defaced our current cash (for then the odds is very rarely above a penny, or twopence the ounce) is so far from being a cause of melting down our coin, that this price, which is given above the value of the silver in our coin, is given only to preserve our coin from being melted down : for nobody buys bullion at 5s. 2d. the ounce, (which is just the value) for any other reason, but to avoid the crime and hazard of melting down our coin.

I think it will be agreed on all hands, that nobody will melt down our money, but for profit. Now profit can be made by melting down our money but only in two cases.

First, when the current pieces of the same denomination are unequal, and of different weights, some heavier, some lighter : for then the traders in money cull out the heavier, and melt them down with profit. This is the ordinary fault of coining by the hammer, wherein it usually sufficed, that a bar of silver was cut into as many half-crowns, or shillings, as answered its whole weight ; without being very exact in making each particular piece of its due weight ; whereby some pieces came to be heavier, and some lighter, than by the standard they should. And then the heavier pieces were culled out, and there was profit to be made (as one easily perceives) in melting them down. But this cause of melting down our money is easily prevented, by the exacter way of coining by the mill, in which each single piece is brought to its just weight. This inequality of pieces of the same denomination, is to be found in our money, more than ever, since clipping has been in fashion : and therefore, it is no wonder, that in this irregular state of our money, one complaint is, that the heavy money is melted down. But this also the making clipped money go at present for its weight, (which is a sudden reducing of it to the standard) and then, by degrees recoining it into milled money, (which is the ultimate and more complete reducing it to the standard) perfectly cures.

The other case, wherein our money comes to be melted down, is a losing trade ; or, which is the same thing in other words, an over-great consumption of foreign commodities. Whenever the over-balance of foreign trade makes it difficult for our merchants to get bills of exchange, the exchange presently rises, and the returns of money raise them in proportion to the want of money Englishmen have in any parts beyond seas. They, who thus furnish them with bills, not being able to satisfy their correspondents, on whom those bills are drawn, with the product of our commodities there, must send silver from hence to reimburse them, and repay the money they have drawn out of their hands,

Whilst bullion may be had for a small price more than the weight of our current cash, these exchanges generally chuse rather to buy bullion, than run the risque of melting down our coin, which is criminal by law. And thus the matter for the most part went, whilst milled and clipped money passed promiscuously in payment : for so long a clipped half-crown was as good here as a milled one, since one passed, and could be had as freely as the other. But as soon as there began to be a distinction between clipped and unclipped money, and weighty money could no longer be had for the light, bullion (as was natural) arose ; and it would fall again to-morrow to the price it was at before, if there were none but weighty money to pay for it. In short, whenever the whole of our foreign trade and consumption exceeds our exportation of commodities, our money must go to pay our debts so contracted whether melted or not melted down. If the law makes the exportation of our coin penal, it will be melted down ; if it leaves the exportation of our coin free, as in Holland, it will be carried out in specie. One way, or other, go it must, as we see in Spain ; but whether melted down, or not melted down, it matters little : our coin and treasure will be both ways equally diminished, and can be restored, only by an over-balance of our whole exportation, to our whole importation of consumable commodities. Laws, made against exportation of money, or bullion, will be all in vain. Restraint, or liberty in that matter, makes no country rich or poor : as we see in Holland, which had plenty of money under the free liberty of its exportation, and Spain, in great want of money under the severest penalties against carrying of it out. But the coining, or not coining our money, on the same foot it was before, or in bigger, or less pieces, and under whatsoever denominations you please, contributes nothing to, or against its melting down, or exportation, so our money be all kept, each species in its full weight of silver, according to the standard : for if some be heavier, and some lighter, allowed to be current, so under the same denomination the heavier will be melted down, where the temptation of profit is considerable, which in well regulated coin kept to the standard, cannot be. But this melting down carries not away one grain of our treasure out of England. The coming and going of that depends wholly upon the balance of our trade ; and therefore it is a wrong conclusion which we find, p. 71. 'That continuing either old, or new coins on the present foot, will be nothing else but furnishing a species to melt down at an extravagant profit, and will encourage a violent exportation of our silver, for sake of the gain only, till we shall have little or none left.' For example : let us suppose all our light money new coined, upon the foot that this gentleman would have it, and all our old milled crowns going for 15 pence as he proposes, and the rest of the old milled money proportionably ; I desire it to be shewed how this would hinder the exportation of one ounce of silver, whilst our affairs are in the present posture. Again, on the other side,

supposing all our money were now milled coin upon the present foot, and our balance of trade changing, our exportation of commodities were a million more than our importation, and like to continue so yearly; whereof one half was to Holland and the other to Flanders, there being an equal balance between England and all other parts of the world we trade to; I ask, what possible gain could any Englishman make, by melting down and carrying out our money to Holland and Flanders, when a million was to come thence hither, and Englishmen had more there already than they knew how to use there, and could not get home without paying dear there for bills of exchange? If that were the case of our trade, the exchange would presently fall here, and rise there beyond the par of their money to ours, *i. e.* an English merchant must give in Holland more silver, for the bills he bought there, than he should receive upon those bills here, if the two sums were weighed one against the other: or run the risque of bringing it home in specie. And what then could any Englishman get by exporting money, or silver thither?

These are the only two cases wherein our coin can be melted down with profit; and I challenge any one living to shew me any other. The one of them is removed only by a regular just coin, kept equal to the standard; be that what it will, it matters not, as to the point of melting down of the money. The other is to be removed only by the balance of our trade kept from running us behind-hand, and contracting debts in foreign countries by an over-consumption of their commodities.

To those who say, that the exportation of our money, whether melted down, or not melted down, depends wholly upon our consumption of foreign commodities, and not at all upon the sizes of the several species of our money, which will be equally exported or not exported, whether coined upon the old, or the proposed new foot: Mr. Lowndes replies;

1. That 'the necessity of foreign expense, and exportation to answer the balance of trade, may be diminished, but cannot in any sense be augmented, by raising the value of our money.'

I beg his pardon, if I cannot assent to this. Because the necessity of our exportation of money, depending wholly upon the debts which we contract in foreign parts, beyond what our commodities exported can pay; the coining our money in bigger, or less pieces, under the same, or different denominations, or on the present, or proposed foot, in itself neither increasing those debts, nor the expenses that make them, can neither augment, nor diminish the exportation of our money.

2. He replies, p. 72. That melters of the coin 'will have less profit by fourteenpence halfpenny in the crown,' when the money is coined upon the new foot.

To this I take the liberty to say, that there will not be a farthing more profit in melting down the money, if it were all new milled

money, upon the present foot, than if it were all new coined, as is proposed, one fifth lighter. For whence should the profit arise more in the one, than in the other? But Mr. Lowndes goes upon this supposition; that standard bullion is now worth 6s. 5d. an ounce of milled money, and would continue to sell for 6s. 5d. the ounce, if our money were all weighty milled money: both which I take to be mistakes, and think I have proved them to be so.

3. He says, 'It is hoped that the exchange to Holland may be kept at a stand, or at least from falling much lower.' I hope so too. But how that concerns this argument, or the coining of the money upon a new foot, I do not see.

4. He says, p. 73. 'There is a great difference with regard to the service or disservice of the publick, between carrying out bullion, or coin for necessary uses, or for prohibited commodities.' The gain to the exporters, which is that which makes them melt it down and export it, is the same in both cases. And the necessity of exporting it is the same. For it is to pay debts, which there is an equal necessity of paying, when once contracted, though for useless things. They are the goldsmiths and dealers in silver, that usually export what silver is sent beyond sea, to pay the debts they have contracted by their bills of exchange. But those dealers in exchange seldom know, or consider, how they, to whom they give their bills, have, or will employ the money, they receive upon those bills. Prohibited commodities, it is true, should be kept out, and useless ones impoverish us by being brought in. But this is the fault of our importation: and there the mischief should be cured, by laws, and our way of living. For the exportation of our treasure is not the cause of their importation, but the consequence. Vanity and luxury spends them: that gives them vent here: that vent causes their importation: and when our merchants have brought them, if our commodities will not be enough, our money must go to pay for them. But what this paragraph has in it against continuing our coin upon the present foot, or for making our coin lighter, I confess here again, I do not see.

It is true what Mr. Lowndes observes here, the importation of gold, and the going of guineas at 30s. has been a great prejudice and loss to the kingdom. But that has been wholly owing to our clipped money, and not at all to our money being coined at 5s. 2d. the ounce; nor is the coining our money lighter, the cure of it. The only remedy for that mischief, as well as a great many others, is the putting an end to the passing of clipped money by tale, as if it were lawful coin.

5. His fifth head, p. 74, is to answer those, who hold, that by the lessening our money one fifth, all people, who are to receive money upon contracts already made, will be defrauded of twenty per cent. of their due: and thus all men will lose one fifth of their settled revenues, and all men, that have lent money, one fifth of their principal and use.

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To remove this objection, Mr. Lowndes says, that silver in England is grown scarce, and consequently dearer, and so is of higher price. Let us grant for the present, it is of higher price (which how he makes out, I shall examine by and by.) This, if it were so, ought not to annul any man's bargain, nor make him receive less in quantity than he lent. He was to receive again the same sum, and the publick authority was guarantee that the same sum should have the same quantity of silver, under the same denomination. And the reason is plain, why in justice he ought to have the same quantity of silver again, notwithstanding any pretended rise of its value. For if silver had grown more plentiful, and by consequence (by our author's rule) cheaper, his debtor would not have been compelled, by the publick authority, to have paid him, in consideration of its cheapness, a greater quantity of silver than they contracted for. Cacao-nuts were the money of a part of America, when we first came thither. Suppose then you had lent me last year 300, or fifteen score cacao-nuts, to be repaid this year, would you be satisfied and think yourself paid your due, if I should tell you, cacao-nuts were scarce this year, and that fourscore were of as much value this year as an hundred the last; and that therefore, you were well and fully paid, if I restored to you only 240 for the 300 I borrowed? Would you not think yourself defrauded of two thirds of your right, by such a payment? Nor would it make any amends for this to justice, or reparation to you, that the publick had (after your contract, which was made for fifteen score) altered the denomination of score, and applied it to sixteen instead of twenty. Examine it, and you will find this just the case, and the loss proportionable in them both; that is, a real loss of twenty per cent. As to Mr. Lowndes's proofs, that silver is now one fifth more value than it was, and therefore a man has right done him, if he receives one fifth less than his contract, I fear none of them will reach Mr. Lowndes's point. He saith, p. 77, 'By daily experience nineteen penny weight, and three tenths of a penny weight of sterling silver, which is just the weight of a crown piece, will purchase more coined money than five unclipped shillings.' I wish he had told us where this daily experience he speaks of, is to be found: for I dare say no body hath seen a sum of unclipped shillings paid for bullion any where these twelve months, to go no further back.

In the next place, I wish he had told us how much more than five lawful milled shillings, bullion of the weight of a crown-piece will purchase. If he had said it would purchase 6s. 3d. weighty money, he had proved the matter in question. And whoever has the weight of a crown in silver paid him in Mr. Lowndes's new coin instead of 6s. 3d. of our present money, has no injury done him, if it will certainly purchase him 6s. 3d. all unclipped, of our present money. But every one at first sight perceives this to be impossible, as I have already proved it. I have in this the concurrence of Mr. Lowndes's new scheme, to

prove it to be so. For, p. 62, he proposes that his silver unit having the weight and fineness of a present unclipped crown-piece, should go for 75 pence; and that the present shilling should go for 15 pence; by which establishment there will be 75 pence in his unit, and 93 pence three farthings in 6s. 3d., weighty money of the present coin; which is an undeniable confession, that it is as impossible for his silver unit, having no more silver in it than a present unclipped crown) to be worth, and so to purchase, six unclipped shillings and three-pence of our present money; as it is for 75 pence to be worth 93 of the same pence, or 75 to be equal to 93.

If he means by more, that his sterling silver of the weight of a crown-piece will purchase a penny, or two-pence more than five unclipped shillings, which is the most, and which is but accidental too; what is this rise of its value to 15 pence? And what amends will one sixtieth (a little more or less) rise in value, make for one fifth diminished in weight, and loss in quantity? which is all one as to say, that a penny, or thereabouts, shall make amends for fifteen pence taken away.

Another way to recommend his new coin, to those who shall receive it, instead of the present weightier coin, he tells them, p. 77, it will pay as much debt, and purchase as much commodities as our present money which is one fifth heavier: what he says of debts is true. But yet I would have it well considered by our English gentlemen, that though creditors will lose one fifth of their principal and use, and landlords will lose one fifth of their income, yet the debtors and tenants will not get it. It will be asked, who then will get it? Those, I say, and those only, who have great sums of weighty money (whereof one sees not a piece now in payments) hoarded up by them, will get by it. To those, by the proposed change of our money, will be an increase of one fifth, added to their riches, paid out of the pockets of the rest of the nation. For what these men received for 4s. they will pay again for five. This weighty money hoarded up, Mr. Lowndes's, p. 105, computes at £1,600,000. So that by raising our money one fifth, there will £320,000 be given to those, who have hoarded up our weighty money; which hoarding up of money is thought by many to have no other merit in it, than the prejudicing our trade and publick affairs, and increasing our necessities, by keeping so great a part of our money from coming abroad, at a time when there was so great need of it. If the sum of unclipped money in the nation be, as some suppose, much greater; then there will, by this contrivance of the raising our coin, be given to these rich hoarders, much above the aforesaid sum of £320,000 of our present money. No body else, but these hoarders, can get a farthing by this proposed change of our coin; unless men in debt have plate by them, which they will coin to pay their debts. Those too, I must confess, will get one fifth by all the plate of their own, which they shall coin and pay debts with, valuing their plate at

bullion ; but if they shall consider the fashion of their plate, what that cost when they bought it, and the fashion that new plate would cost them, if they intend ever to have plate again, they will find this one fifth seeming present profit, in coining their plate to pay their debts, amounts to little, or nothing at all. No body then but the hoarders will get by this twenty per cent. And I challenge any one to shew, how any body else (but that little in the case of plate coined to pay debts) shall get a farthing by it. It seems to promise fairest to the debtors : but to them too it will amount to nothing. For he, that takes up money to pay his debts, will receive this new money, and pay it again at the same rate he received it, just as he does now our present coin, without any profit at all. And though commodities (as is natural) shall be raised, in proportion to the lessening of the money, no body will get by that, any more than they do now, when all things are grown dearer. Only he that is bound up by contract to receive any sum, under such a denomination of pounds, shillings, and pence, will find his loss sensibly, when he goes to buy commodities, and make new bargains. The markets and the shops will soon convince him, that his money, which is one fifth lighter, is also one fifth worse ; when he must pay twenty per cent. more for all the commodities he buys, with the money of the new foot, than if he bought it with the present coin.

This Mr. Lowndes himself will not deny, when he calls to mind what he himself, speaking of the inconveniencies we suffer by our clipped money, says, p. 115, 'Persons before they conclude in any bargains, are necessitated first to settle the price or value of the very money they are to receive for their goods, and if it be in clipped, or bad money, they set the price of their goods accordingly, which I think has been one great cause of raising the price, not only of merchandize, but even of edibles, and other necessaries for the sustenance of the common people, to their great grievance.' That every one who receives money after the raising our money, on contracts made before the change, must lose twenty per cent. in all he shall buy, is demonstration, by Mr. Lowndes's own scheme. Mr. Lowndes proposes that there should be shillings coined upon the new foot, one fifth lighter than our present shillings, which should go for twelve-pence a-piece ; and that the unclipped shillings of the present coin should go for fifteen-pence a-piece ; and the crown for seventy-five pence. A man who has a debt of a hundred pounds owing him, upon bond, or lease, receives it in these new shillings, instead of lawful money of the present standard ; he goes to market with twenty shillings in one pocket of this new money, which are valued at 240 pence, and in the other pocket with four milled crown-pieces, (or twenty milled shillings of the present coin) which are valued at three hundred pence, which is one fifth more : it is demonstration then, that he loses one fifth, or twenty per cent. in all that he buys, by the receipt of this new money for the present coin, which was

his due ; unless those he deals with will take four for five-pence, or four shillings for five shillings. He buys, for example, a quart of oil for fifteen-pence : if he pay for it with the old money in one pocket, one shilling will do it : if with the new money in the other, he must add three pence to it, or a quarter of another shilling ; and so of all the rest that he pays for, with either the old money, which he should have received his debts in, or with the new, which he was forced to receive for it. Thus far, it is demonstration, he loses twenty per cent. by receiving his debt in a new money thus raised, when he uses it to buy any thing. But to make him amends, Mr. Lowndes tells him, silver is now dearer, and all things consequently will be bought cheaper twenty per cent. And yet at the same time he tells him, in the passage above cited out of p. 115, that all other things are grown dearer. I am sure there is no demonstration, that they will be sold twenty per cent. cheaper. And, if I may credit housekeepers and substantial tradesmen all sorts of provisions and commodities are lately risen excessively : and, notwithstanding the scarcity of silver, begin to come up to the true value of our clipped money, every one selling their commodities so as to make themselves amends in the number of light pieces for what they want in weight. A creditor ought to think the new light money equivalent to the present heavier, because it will buy as much commodities. But what if it should fail, as it is ten to one but it will, what security has he for it ? He is told so, and he must be satisfied. That salt, wine, oil, silk, naval stores, and all foreign commodities, will none of them be sold us by foreigners for a less quantity of silver than before, because we have given the name of more pence to it, is, I think, demonstration. All our names, (if they are any more to us) are to them but bare sounds, and our coin, as theirs to us, but mere bullion, valued only by its weight. And a Swede will no more sell you his hemp and pitch, or a Spaniard his oil, for less silver, because you tell him silver is scarcer now in England, and therefore risen in value one fifth, than a tradesman in London will sell his commodity cheaper to the Isle of Man, because they are grown poorer, and money is scarce there.

All foreign commodities must be shut out of the number of those that will fall, to comply with our raising our money. Corn, also, it is evident, does not rise, or fall, by the differences of more or less plenty of money, but by the plenty and scarcity that God gives. For our money, in appearance remaining the same, the price of corn is double one year to what it was the precedent ; and therefore we must certainly make account, that since the money is one fifth lighter, it will buy one fifth less corn *communibus annis*. And this being the great expence of the poor, that takes up almost all their earnings, if corn be, *communibus annis*, sold for one fifth more money in tale, than before the change of our money, they too must have one fifth more in tale of the new

money, for their wages than they have now, and the day-labourer must have, not only twelve, but fifteen pence of the new money a day, which is the present shilling that he has now, or else he cannot live. So that all foreign commodities, with corn and labour, keeping up their value to the quantity of silver they sell for now, and not complying, in the fall of their real price, with the nominal raising of our money, there is not much left wherein landlords and creditors are to expect the recompence of twenty per cent. abatement of price in commodities, to make up their loss in the lightness of our money, they are paid their rents and debts in. It would be easy to shew the same thing concerning our other native commodities, and make it clear that we have no reason to expect they should abate of their present price, any more than corn and labour: but this is enough, and any one who has a mind to it, may trace the rest at his leisure.

And thus I fear the hopes of cheaper penny-worths, which might beguile some men into a belief that landlords and creditors would receive no less by the proposed new money, is quite vanished. But if the promise of better penny-worths, and a fall of all commodities twenty per cent. should hold true, this would not at all relieve creditors and landlords, and set them upon equal terms with their neighbours: because the cheap penny-worths will not be for them alone, but every body else, as well as they, will share in that advantage; so that their silver being diminished one fifth in their rents and debts, which are paid them, they would still be twenty per cent. greater losers than their unhoarding neighbours, and forty per cent. greater losers than the hoarders of money; who will certainly get twenty per cent. in the money, whatever happens in the price of things; and twenty per cent. more in the cheapness of commodities, if that promised recompense be made good to creditors and landlords. For the hoarders of money (if the price of things falls) will buy as cheap as they. So that whatever is said of the cheapness of commodities, it is demonstration, (whether that proves true, or no) that creditors, and landlords, and all those, who are to receive money, upon bargains made before the proposed change of our coin, will unavoidably lose twenty per cent.

One thing Mr. Lowndes says in this paragraph is very remarkable, which I think decides the question. His words, p. 78, are these, 'That if the value of the silver in the coins (by an extrinsick denomination) be raised above the value, or market-price, of the same silver reduced to bullion, the subjects would be proportionably injured or defrauded, as they were formerly in the case of base monies, coined by publick authority.' It remains therefore only to shew, that the market price of standard bullion is not one fifth above our coin that is to be raised, and then we have Mr. Lowndes of our side too against its raising. I think it is abundantly proved already, that standard bullion neither is, nor can be, worth one fifth more than our lawful weighty money: and

if it be not, by Mr. Lowndes's confession, there is no need of raising our present, legal, milled money to that degree; and it is only our clipped money that wants amendment: and when that is recoined and reduced all to milled and lawful money, that then too will have no need of raising. This I shall now prove out of Mr. Lowndes's own words here.

Mr. Lowndes, in the forecited words, compares the value of silver in our coin, to the value of the same silver reduced to bullion; which he supposing to be as four to five, makes that the measure of the raising our money. If this be the difference of value between silver in bullion, and silver in coin; and if it be true, that four ounces of standard bullion be worth five ounces of the same silver coined; or, which is the same thing, that bullion, will sell by the ounce for 6s. 5d. unclipped money; I will take the boldness to advise his majesty to buy, or to borrow any where so much bullion, or, rather than be without it, melt downⁿ so much plate, as is equal in weight to £1200 sterling of our present milled money. This let him sell for milled money. And, according to our author's rule, it will yield £1500. Let that £1500 be reduced into bullion, and sold again, and it will produce £1860; which £1860 of weighty money being reduced into bullion, will still produce one fifth more in weight of silver, being sold for weighty money. And thus his majesty may get at least £320,000 by selling of bullion for weighty money, and melting that down into bullion, as fast as he receives it; till he has brought into his hands the £1,600,000, which Mr. Lowndes computes there is of weighty money left in England.

I doubt not but every one, who reads it, will think this a very ridiculous proposition. But he must think it ridiculous for no other reason, but because he sees it is impossible that bullion should sell for one fifth above its weight of the same silver coined; that is, that an ounce of standard silver should sell for 6s. 5d. of our present weighty money. For if it will, it is no ridiculous thing that the king should melt down, and make that profit of his money.

If our author's rule (p. 78, where he says, 'That the only just and reasonable foot, upon which the coins should be current, is the very price of the silver thereof, in case it be molten in the same place where coins are made current') be to be observed; our money is to be raised but an halfpenny, or at most a penny in 5s.: for that was the ordinary odds in the price between bullion and coined silver, before clipping had deprived us, in commerce, of all our milled and weighty money. And silver in standard bullion would not be in value one jot above the same silver in coin, if clipped money were not current by tale, and coined silver (as Mr. Lowndes proposes, p. 73) as well as bullion, had the liberty of exportation. For when we have no clipped money, but all our current coin is weight, according to the standard, all the odds of value that silver in bullion has to silver in coin, is only owing to the

prohibition of its exportation in money ; and never rises, nor can rise, above what the goldsmith shall estimate the risque and trouble of melting it down ; which is so little, that the importers of silver could never raise it to above a penny an ounce, but at such times as the East-India company, or some foreign sale, calling for a great quantity of silver at a time made the goldsmiths scramble for it ; and so the importers of bullion raise its price upon them, according to the present need of great quantities of silver which every goldsmith (eager to ingross to himself as much as he could) was content to pay high for, rather than go without : his present gains from those whom he furnished, and whom otherwise he could not furnish, making him amends.

The natural value then, between silver in bullion, and in coin, is (I say) everywhere equal ; bating the charge of coinage, which gives the advantage to the side of the coin. The ordinary odds here in England, between silver in bullion, and the same in our coin, is, by reason that the stamp hinders its free exportation, about a penny in the crown. The accidental difference, by reason of sudden occasions, is sometimes (but rarely) two-pence in five shillings, or somewhat more in great urgencies. And since the ordinary rate of things is to be taken as the measure of their price, and Mr. Lowndes tells us, p. 78, 'That if the value of the silver in their coins, should be raised above the value, or market-price, of the same silver reduced to bullion, the subject would be proportionably injured and defrauded ;' I leave him to make the inference, what will be the consequence in England, if our coin be raised here one-fifth, or twenty per cent.

Mr. Lowndes says farther, p. 80, That silver has a price. I answer ; silver to silver can have no other price, but quantity for quantity. If there be any other difference in value, it is, or can be nothing, but one of these two : first, either the value of the labour employed about one parcel of silver more than another, makes a difference in their price ; and thus fashioned plate sells for more than its weight of the same silver ; and in countries where the owners pay for the coinage, silver in coin is more worth than its weight in bullion ; but here, where the publick pays the coinage, they are of very near equal value, when there is no need of exportation : for then there is no more odds than the trouble of carrying the bullion to the mint, and fetching again, is worth ; or the charge of refining so much of it, as will bring it to standard, if it be worse than standard.

Or secondly, some privilege belonging to one parcel of silver, which is denied to another, viz., here in England a liberty of exportation allowed to silver in bullion, denied to silver stamped. This, when there is need of exportation of silver, gives some small advantage of value to uncoined silver here, above coined ; but that is ordinarily very inconsiderable ; and can never reach to one fifth, nor half one

fifth, as has been already shewn. And this, I think, will answer all that is said about the price of silver in that place.

It is true what Mr. Lowndes says, in the next words, p. 81, 'That five shillings coined upon the foot proposed, will actually contain more real and intrinsick value of silver by a great deal, than is in the current money, now commonly applied to the payment of the said rents, revenues, and debts.' But will he hence conclude, because there is now lost in those rents, revenues, and debts, a great deal more than twenty per cent. under the present irregularity of our coin, and the robbery in clipped money, without any the least neglect, or miscarriage in the owner, that entitled him to that loss, that therefore, it is just that the loss of twenty per cent. be established on him by law for the future, in the reforming of our coin?

Mr. Lowndes's second reason for lessening of our coin, we have, p. 82, in these words, "The value of the silver in the coin ought to be raised, to encourage the bringing of bullion to the mint to be coined." This raising of money is in effect, as has been seen, nothing but giving a denomination of more pence to the same quantity of silver, viz., That the same quantity of silver shall hereafter be called seventy-five pence, which is now called but sixty-pence. For that is all is done, as is manifest, when a crown-piece, which now but goes for sixty-pence, shall be made to go for seventy-five pence; for it is plain, it contains nothing of silver, or worth in it, more than it did before. Let us suppose, that all our silver coin now in England were six-pences, shillings, half-crowns, and crowns, all milled money, full weight, according to the present standard; and that it should be ordered, that for the future, the crown-piece, instead of going for sixty-pence, should go for seventy-five pence, and so proportionably, of all the other pieces; I ask, then, how such a change of denomination shall bring bullion to the mint to be coined, and from whence? I suppose this change of names, or ascribing to it more imaginary parts of any denomination, has no charms in it to bring bullion to the mint to be coined: for whether you call the piece coined twelve-pence, or fifteen-pence, or sixty, or seventy-five, a crown, or a sceptre, it will buy no more silk, salt, or bread than it would before. That, therefore, cannot tempt people to bring it to the mint. And if it will pay more debts, that is perfect defrauding, and ought not to be permitted. Next, I ask, from whence shall this raising fetch it? For bullion cannot be brought hither to stay here, whilst the balance of our trade requires all the bullion we bring in, to be exported again, and more silver out of our former stock with it, to answer our exigencies beyond seas. And whilst it is so the goldsmiths and returners of money will give more for bullion to export, than the mint can give for it to coin; and so none of that will come to the mint.

But, says our author, p. 83, 'An halfpenny an ounce profit, which

will be in the proposed coin, above the present price of sterling bullion, will be an encouragement to those who have English plate, to bring it in to be coined.' I doubt whether there will be any such profit; for I imagine, that standard bullion cannot now be bought per ounce, for six shillings and five-pence of our clipped, running cash, which is the measure whereby Mr. Lowndes determines of the price of sterling silver. But, taking this halfpenny an ounce profit for granted, it will not bring to the mint any plate whose fashion is valued by the owner at above an halfpenny per ounce; and how much then it is like to bring to the mint is easy to guess.

The true and only good reason, that brings bullion to the mint to be coined, is the same that brings it to England to stay there, viz., The gain we make by an over-balance of trade. When our merchants carry commodities abroad, to a greater value than those they bring home, the overplus comes to them in foreign coin, or bullion, which will stay here, when we gain by the balance of our whole trade. For then we can have no debts beyond sea to be paid with it. In this thriving posture of our trade, those to whose share this bullion falls, not having any use of it, whilst it is in bullion, chuse to carry it to the mint to have it coined there, whereby it is of more use to them for all the business of silver in trade, or purchasing land; the mint having ascertained the weight and fineness of it: so that on any occasion, everyone is ready to take it at its known value, without any scruple; a convenience that is wanting in bullion. But when our trade runs on the other side, and our exported commodities will not pay for those foreign ones we consume, our treasure must go; and then it is vain to bestow the labour of coining on bullion, that must be exported again. To what purpose is it, to make it pass through our mint, when it will away? The less pains and charge it costs us, the better.

His third reason, p. 83, is, that this raising our coin, by making it 'more in tale, will make it more commensurate to the general need thereof,' and thereby hinder the increase of hazardous paper-credit, and the inconvenience of bartering.

Just as the boy cut his leather into five quarters (as he called them), to cover his ball, when cut into four quarters it fell short; but after all his pains, as much of his ball lay bare as before: if the quantity of coined silver, employed in England, fall short, the arbitrary denomination of a greater number of pence given to it, or, which is all one, to the several coined pieces of it, will not make it commensurate to the size of our trade, or the greatness of our occasions. This is as certain, as that if the quantity of a board, which is to stop the leak of a ship, fifteen inches square, be but twelve inches square, it will not be made to do it, by being measured by a foot, that is divided into

fifteen inches, instead of twelve, and so having a larger tale, or number of inches in denomination given to it.

This, indeed, would be a convincing reason, if sounds would give weight to silver, and the noise of a greater number of pence (less in quantity proportionably as they are more in number), were a larger supply of money, which our author, p. 84, says our occasions require, and which he by an increase of the tale of pence hopes to provide. But that mistake is very visible, and shall be farther shown in the business of bartering.

The necessity of trust and bartering is one of the many inconveniences springing from the want of money. This inconvenience, the multiplying arbitrary denominations will no more supply, nor any ways make our scarcity of coin commensurate to the need there is of it, than if the cloth which was provided for clothing the army, falling short, one should hope to make it commensurate to that need there is of it, by measuring it by a yard one-fifth shorter than the standard, or changing the standard of the yard, and so getting the full denomination of yards, necessary according to the present measure. For this is all will be done by raising our coin, as is proposed. All it amounts to is no more but this, viz., That each piece, and consequently our whole stock of money, should be measured and denominated by a penny, one-fifth less than the standard.

Where there is not coined silver, in proportion to the value of the commodities, that daily change owners in trade, there is a necessity of trust or bartering, *i. e.* changing commodities for commodities, without the intervention of money. For example; let us suppose in Bermudas but £100 in ready money, but that there is every day there, a transferring of commodities from one owner to another, to the value of double as much. When the money is all got into hands, that have already bought all that they have need of, for that day, whoever has need of any thing else that day, must either go on tick, or barter for it, *i. e.* give the commodities he can best spare for the commodities he wants, *v. g.* sugar for bread, &c. Now it is evident here, that changing the denomination of the coin, they already have in Bermudas, or coining it over again under new denominations, will not contribute in the least towards the removing this necessity of trust or bartering. For the whole silver they have in coin, being but 400 ounces; and the exchange of the commodities made in a distance of time, wherein this money is paid not above once, being to the value of 800 ounces of silver; it is plain, that one half of the commodities, that shift hands, must of necessity be taken upon credit, or exchanged by barter; those who want them, having no money to pay for them. Nor can any alteration of the coin, or denomination of these 400 ounces of silver, help this; because the value of the silver, in respect of other commodities, will not thereby be at all increased; and the commodities changed,

being (as in the case) double in value to the 400 ounces of coined silver to be laid out in them, nothing can supply this want but a double quantity, *i. e.* 800 ounces of coined silver ; how denominated, it matters not, so there be a fit proportion of small pieces to supply small payments.

Suppose the commodities passing every day in England, in markets and fairs, between strangers, or such as trust not one another, were to the value of 1,000,000 ounces of silver ; and there was but 500,000 ounces of coined silver in the hands of those, who wanted those commodities ; it is demonstration they must truck for them, or go without them. If then the coined silver of England be not sufficient to answer the value of commodities moving in trade amongst us, credit or barter must do it. Where the credit and money fail, barter alone must do it : which being introduced by the want of a greater plenty of coined silver, nothing but a greater plenty of coined silver can remove it. The increase of denomination does, or can do nothing in the case ; for it is silver by its quantity, and not denomination, that is the price of things, and measure of commerce ; and it is the weight of silver in it, and not the name of the piece, that men estimate commodities by, and exchange them for.

If this be not so, when the necessity of our affairs abroad, or ill husbandry at home, has carried away half our treasure, and a moiety of our money is gone out of England ; it is but to issue a proclamation, that a penny shall go for two-pence, six-pence for a shilling, half a crown for a crown, &c., and immediately, without any more ado, we are as rich as before. And when half the remainder is gone, it is but doing the same thing again, and raising the denomination anew, and we are where we were, and so on : where, by supposing the denomination raised $\frac{1}{5}$, every man will be as rich with an ounce of silver in his purse, as he was before, when he had sixteen ounces there ; and in as great plenty of money, able to carry on his trade, without bartering ; his silver by this short way of raising, being changed into the value of gold : for when silver will buy sixteen times as much wine, oil, and bread, &c. to-day, as it would yesterday (all other things remaining the same, but the denomination), it hath the real worth of gold.

This, I guess, every body sees cannot be so. And yet this must be so, if it be true that raising the denomination one-fifth can supply the want, or one jot raise the value of silver in respect of other commodities, *i. e.*, make a less quantity of it to-day, buy a greater quantity of corn, oil, and cloth, and all other commodities, than it would yesterday, and thereby remove the necessity of bartering. For, if raising the denomination can thus raise the value of coin, in exchange for other commodities, one-fifth, by the same reason it can raise it two-fifths, and afterwards three-fifths, and again, if need be, four-fifths, and as much farther as you please. So that, by this admirable contrivance of rais-

ing our coin, we shall be as rich, and as well able to support the charge of the government, and carry on our trade without bartering, or any other inconvenience, for want of money, with 60,000 ounces of coined silver in England, as if we had 6,000,000 or 60,000,000. If this be not so, I desire any one to shew me, why the same way of raising the denomination, which can raise the value of money in respect of other commodities, one-fifth, cannot, when you please, raise it another fifth, and so on? I beg to be told where it must stop, and why at such a degree, without being able to go farther.

It must be taken notice of, that the raising I speak of here, is the raising of the value of our coin in respect of other commodities (as I call it all along), in contradistinction to raising the denomination. The confounding of these in discourses concerning money, is one great cause, I suspect, that this matter is so little understood, and so often talked of with so little information of the hearers.

A penny is a denomination no more belonging to eight than to eighty, or to one single grain of silver : and so it is not necessary that there should be sixty such pence, no more, nor less, in an ounce of silver, *i. e.*, twelve in a piece called a shilling, and sixty in a piece called a crown : such like divisions being only extrinsical denominations, are every where perfectly arbitrary. For here in England there might as well have been twelve shillings in a penny, as twelve pence in a shilling, *i. e.* the denomination of the less piece might have been a shilling, and of the bigger a penny. Again, the shilling might have been coined ten times as big as the penny, and the crown ten times as big as the shilling ; whereby the shilling would have but ten pence in it, and the crown an hundred. But this, however ordered, alters not one jot the value of the ounce of silver, in respect of other things, any more than it does its weight. This raising being but giving of names at pleasure to aliquot parts of any piece, viz., that now the sixtieth part of an ounce of silver shall be called a penny, and to-morrow that the seventy-fifth part of an ounce shall be called a penny, may be done with what increase you please. And thus it may be ordered by a proclamation, that a shilling shall go for twenty-four pence, an half-crown for sixty instead of thirty pence, and so of the rest. But that an half-crown should be worth, or contain, sixty such pence, as the pence were, before this change of denomination was made, that no power on earth can do. Nor can any power (but that which can make the plenty, or scarcity of commodities), raise the value of our money thus double, in respect of other commodities, and make that the same piece, or quantity of silver, under a double denomination, shall purchase double the quantity of pepper, wine, or lead, an instant after such proclamation, to what it would do an instant before. If this could be, we might, as every one sees, raise silver to the value of gold, and make ourselves as rich as we pleased. But it is but going to market

with an ounce of silver of 120 pence, to be convinced that it will purchase no more than an ounce of silver of sixty pence. And the ringing of the piece will as soon purchase more commodities, as its change of denomination, and the multiplied name of pence, when it is called six score instead of sixty.

It is proposed, that the twelve pence should be raised to fifteen pence, and the crown to seventy-five pence, and so proportionably of the rest : but yet that the pound sterling should not be raised. If there be any advantage in raising, why should not that be raised too ? And as the crown-piece is raised from sixty to seventy-five pence, why should not the pound sterling be raised in the same proportion, from 240 pence, to 300 pence ?

Further, if this raising our coin can so stretch our money, and enlarge our pared remainder of it, as 'to make it more commensurate to the general need thereof, for carrying on the common traffick and commerce of the nation, and to answer occasions requiring a larger supply of money,' as Mr. Lowndes tells us in his third reason, p. 83, why are we so niggardly to ourselves in this time of occasion, as to stop at one-fifth ? Why do we not raise it one full moiety, and thereby double our money ? If Mr. Lowndes's rule, p. 78, 'That if the value of the silver in the coin, should be raised above the market price of the same silver, reduced to bullion, the subject would be proportionably injured and defrauded,' must keep us from these advantages, and the publick care of justice stop the raising of the money at one-fifth ; because, if our money be raised beyond the market-price of bullion, it will be so much defrauding of the subject : I then say, it must not be raised one-fifth, nor half one-fifth, that is, it must not be raised fifteen pence in the crown ; no, nor five pence. For I deny that the market-price of standard bullion ever was, or ever can be 5s. 7d. of lawful weighty money, the ounce : so that if our present milled money be raised one-fifth, the subjects will, by Mr. Lowndes's rule, be defrauded sixteen per cent., nay, above eighteen per cent. For the market price of standard bullion being ordinarily under 5s. 4d. the ounce, when sold for weighty money (which is but one-thirtieth), whatever our present milled money is raised above one-thirtieth, it is by Mr. Lowndes's rule so much defrauding the subject. For the market-price of any thing, and so of bullion, is to be taken from its ordinary rate all the year round, and not from the extraordinary rise of two or three market-days in a year. And that the market-price of standard silver was not found, nor pretended to be above 5s. 4d. the ounce, before clipping had left none but light, running cash to pay for bullion, or anything else, is evident from a paper then published, which I took the liberty to examine in my 'Considerations of the consequences of raising the value of money,' &c., printed 1692. The author of that paper, it is manifest, was not ignorant of the price of silver, nor had a design to lessen its rate, but set down the highest price it then bore.

If then Mr. Lowndes's rule of justice, and care of the subject, be to regulate the rise of our milled money, it must not be raised above one-thirtieth part. If the advantages he promises, of making our money, by raising it one-fifth, 'more commensurate to the general need thereof,' be to be laid hold on, it is reasonable to raise it higher, 'to make it yet more commensurate to the general need there is of it.' Which ever of the two Mr. Lowndes will prefer, either reason of state, or rule of justice, one-fifth must not be his measure of raising our present milled money. If the advantage of making our money more proportionate to our trade and other necessities, be to govern its proposed raising, every one will cry out to Mr. Lowndes: If your way will do what you say, the raising it one-half will be much better than one-fifth, and therefore pray let an half-crown be raised to a crown, and six pence to a shilling. If equity and the consideration of the subject's property ought to govern in the case, you must not raise our milled crown to above 5s. 4d.

If it be here said to me, that I do then allow that our money may be raised one-thirtieth, *i. e.* that the crown-piece should be raised to 5s. 2d. and so proportionably of the other species of our coin; I answer, he that infers so, makes his inference a little too quick.

But let us for once allow the ordinary price of standard silver to be 5s. 4d. the ounce, to be paid for in weighty coin (for that must always be remembered, when we talk of the rate of bullion), and that the rate of bullion is the just measure of raising our money. This I say is no reason for the raising our milled crown now, to 5s. 4d., and recoinng all our clipped money upon that foot; unless we intend, as soon as that is done, to new raise and coin it again. For, whilst our trade and affairs abroad require the exportation of silver, and the exportation of our coined silver is prohibited, and made penal by our law, standard bullion will always be sold here for a little more than its weight of coined silver. So that, if we shall endeavour to equal our weighty coined silver to standard bullion, by raising it, whilst there is a necessity of the exportation of silver, we shall do no otherwise than a child, who runs to overtake and get up to the top of his shadow, which still advances at the same rate that he does. The privilege that bullion has, to be exported freely, will give it a little advance in price above our coin, let the denomination of that be raised, or fallen as you please, whilst there is need of its exportation, and the exportation of our coin is prohibited by law. But this advance will be but little, and will always keep within the bounds, which the risque and trouble of melting down our coin shall set to it, in the estimate of the exporter. He that will rather venture to throw £100 into his melting-pot, when no body sees him, and reduce it to bullion, than give £105 for the same weight of the like bullion, will never give 5s. 5d. of milled money for an ounce of standard bullion; nor buy at that price, what he can have

near five per cent. cheaper, without any risque, if he will not accuse himself. And I think it may be concluded, that very few who have furnaces, and other conveniences ready for melting silver, will give one per cent. for standard bullion, which is under 5s. 3d. per ounce, who can only for the trouble of melting it, reduce our coin to as good bullion.

The odds of the price in bullion to coin on this account (which is the only one, where the coin is kept to the standard), can never be a reason for raising our coin to preserve it from melting down : because this price above its weight is given for bullion, only to avoid melting down our coin ; and so this difference of price between standard bullion and our coin, can be no cause of its melting down.

These three reasons which I have examined, contain the great advantages, which our author supposes the proposed raising of our coin will produce. And therefore I have dwelt longer upon them. His remaining six reasons being of less moment, and offering most of them but some circumstantial conveniencies, as to the computation of our money, &c., I shall more briefly pass over. Only before I proceed to them, I shall here set down the different value of our money, collected from our author's history of the several changes of our coin, since Edward I.'s reign, quite down to this present time. A curious history indeed, for which I think myself, and the world, indebted to Mr. Lowndes's great learning in this sort of knowledge, and his great exactness in relating the particulars.

I shall remark only what the quantity of silver was in a shilling, in each of those changes ; that so the reader may at first sight, without farther trouble, compare the lessening, or increase of the quantity of silver upon every change. For in propriety of speech, the adding to the quantity of silver in our coin, is the true raising of its value ; and the diminishing the quantity of silver in it, is the sinking of its value ; however they may come to be transposed, and used in the quite contrary sense.

If my calculations, from the weight and fineness I find set down in Mr. Lowndes's extract out of the indentures of the mint, have not misled me, the quantity of silver to a grain, which was in a shilling in every change of our money, is set down in the following table.

One shilling contained of fine silver

28 Edw. 1...264 gr.	4 Hen. 6... 176 gr.	37 Hen. 8...40 gr.
18 Edw. 3...236 gr.	49 Hen. 6...142 gr.	3 Edw. 6...40 gr.
27 Edw. 3...213 gr.	1 Hen. 8...118 gr.	5 Edw. 6...20 gr.
9 Hen. 5...176 gr.	34 Hen. 8...100 gr.	6 Edw. 6...88 gr.
1 Hen. 6...142 gr.	36 Hen. 8... 60 gr.	2 Eliz.....89 gr.
	43 Eliz....86 gr.	

And so it has remained from the 43rd year of queen Elizabeth to this day. Mr. Lowndes's...69 gr.

Mr. Lowndes having given us the fineness of the standard silver in every reign, and the number of pieces a pound troy was coined into, closes this history with words to this purpose, p. 56. 'By this deduction it doth evidently appear, that it hath been a policy, constantly practised in the mints of England, to raise the value of the coin, in its extrinsick denomination, from time to time, as any exigence, or occasion required, and more especially to encourage the bringing of bullion into the realm to be coined.' This indeed, is roundly to conclude for his hypothesis. But I could wish, that from the histories of those times, wherein the several changes were made, he had showed us the exigencies and occasions, that produced the raising of the coin, and what effects it had.

If I mistake not, Henry VIII.'s several raisings of our coin, brought little increase of silver into England. As the several species of our coin lessened in their respective quantities of silver, so the treasure of the realm decreased too : and he, that found the kingdom rich, did not, as I remember, by all his raising our coin, leave it so.

Another thing, that (from his history) makes me suspect, that the raising the denomination was never found effectively to draw silver into England, is the lowering the denomination, or adding more silver to the several species of our coin ; as in Henry VI.'s time, the shilling was increased from 142 grains of silver, to 176 : and in the sixth of Edward VI. in whose time raising the denomination seems to have been tried to the utmost, when a shilling was brought to twenty grains of silver. And the great alteration, that was then quickly made on the other hand, from twenty to eighty grains at one leap, seems to show that this lessening the silver in our coin had proved prejudicial : for this is a greater change in sinking of the denomination in proportion, than ever was made at once in raising it ; a shilling being made four times weightier in silver, the sixth, than it was in the fifth year of Edward VI.'s reign.

Kingdoms are seldom found weary of the riches they have, or averse to the increase of their treasure. If therefore, the raising the denomination did in reality bring silver into the realm, it cannot be thought that they would at any time sink the denomination, which, by the rule of contraries, should at least be suspected to drive, or keep it out.

Since, therefore, we are not from matter of fact informed, what were the true motives, that caused those several changes in the coin ; may we not with reason suspect, that they were owing to that policy of the mint, set down by our author, p. 83, in these words, 'That the proposed advance is agreeable to the policy, that in past ages hath been practised, not only in our mint, but in the mints of all politick governments ; namely, to raise the value of silver in the coin, to promote the work of the mint ?' As I remember, suitable to this policy of the mint, there was, some two years since, a complaint of a worthy gentleman,

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not ignorant of it, that the mill in the mint stood still ; and therefore, there was a proposal offered for bringing grist to the mill.

The business of money, as in all times, even in this our quick-sighted age, hath been thought a mystery : those employed in the mint must, by their places, be supposed to penetrate deepest into it. It is no impossible thing, then, to imagine, that it was not hard, in the ignorance of past ages, when money was little, and skill in the turns of trade less, for those versed in the business and policy of the mint, to persuade a prince, especially if money were scarce, that the fault was in the standard of the mint, and that the way to increase the plenty of money, was to raise (a well-sounding word) the value of the coin. This could not but be willingly enough hearkened to ; when, besides the hopes of drawing an increase of silver into the realm, it brought present gain, by the part which the king got of the money, which was hereupon all coined anew, and the mint officers lost nothing, since it promoted the work of the mint.

This opinion Mr. Lowndes himself gives sufficient grounds for in his book, particularly p. 29, where we read these words, 'Although the former debasements of the coins, by publick authority, especially those in the reigns of king Henry VIII. and king Edward VI. might be projected for the profit of the crown, and the projectors might measure that profit by the excessive quantities of alloy, that were mixed with the silver and the gold' (and let me add, or by the quantity of silver lessened in each specie, which is the same thing.) 'And though this was enterprized by a prince, who could stretch his prerogative very far upon his people ; and was done in times, when the nation had very little commerce, inland or foreign, to be injured and prejudiced thereby, yet experience presently showed, that the projectors were mistaken, and that it was absolutely necessary to have the base money reformed.' This, at least, they were not mistaken in, that they brought work to the mint, and a part of the money coined to the crown for seniorage : in both which there was profit. Mr. Lowndes tells us, p. 45, 'That Henry VIII. had to the value of 50s. for every pound weight of gold coined.' I have met with it somewhere, that formerly the king might take what he pleased for coinage. I knew not too, but the flattering name of raising money might prevail then, as it does now ; and impose so far on them, as to make them think, the raising, i.e. diminishing the silver in their coin, would bring it into the realm, or stay it here, when they found it going out. For if we may guess at the other, by Henry VIII.'s raising, it was probably when, by reason of expence in foreign wars, or ill managed trade, they found money begin to grow scarce.

The having the species of our coin one fifth bigger, or one fifth less, than they are at present, would be neither good, nor harm to England, if they had always been so. Our standard has continued in weight

and fineness, just as it is now, for very near this hundred years last past : and those, who think the denomination and size of our money have any influence on the state of our wealth, have no reason to change the present standard of our coin ; since under that we have had a greater increase, and longer continuance of plenty of money, than perhaps any other country can shew : I see no reason to think, that a little bigger, or less size of the pieces coined, is of any moment, one way or the other. The species of money in any country, of whatsoever sizes, fit for coining, if their proportions to one another be suited to arithmetick and calculations, in whole numbers, and the ways of accounts in that country ; if they are adapted to small payments, and carefully kept to their just weight and fineness, can have no harm in them. The harm comes by the change, which unreasonably and unjustly gives away and transfers men's properties, disorders trade, puzzles accounts, and needs a new arithmetick to cast up reckonings, and keep accounts in ; besides a thousand other inconveniences ; not to mention the charge of recoinning the money. For this may be depended on, that, if our money be raised as is proposed, it will enforce the recoinning of all our money, both old and new, (except the new shillings) to avoid the terrible difficulty and confusion there will be in keeping accounts in pounds, shillings, and pence, (as they must be) when the species of our money are so ordered, as not to answer those denominations in round numbers.

This consideration leads me to Mr. Lowndes's fifth and sixth reasons, p. 85, wherein he recommends the raising our money in the proportion proposed, for its convenience, to our accounting by pounds, shillings, and pence. And for obviating perplexity among the common people, he proposes the present weighty crown to go at 6s. 3d. : and the new scepter, or unit, to be coined of the same weight, to go at the same rate, and half-crowns, half-scepters, or half-units, of the weight of the present half-crown, to go for 2s. 7½d. : by no number of which pieces can there be made an even pound sterling, or any number of even shillings under a pound ; but they always fall into fractions of pounds and shillings, as may be seen by this following table.

1 Half-crown, half-scepter, or half-unit piece.....	3s. 1½d.
1 Crown, scepter, or unit piece.....	6s. 3d.
3 Half-crown pieces.....	9s. 4½d.
5 Half-crown pieces.....	15s. 7½d.
7 Half-crown pieces...£1	10½d.
2 Crown pieces...	12s. 6d.
3 Crown pieces...	18s. 9d.
4 Crown pieces...£1	5s.

The present shilling, and new testoon, going for 15d., no number of them make any number of even shillings ; but 5s., 10s., 15s., and 20s. ; but in all the rest, they always fall into fractions.

The like may be said of the present sixpences, and future half testoons, going for sevenpence halfpenny ; the quarter testoons, which

are to go for threepence three farthings; and the gross and groats, which are to go for fivepence; the half gross, or groat, which is to go for twopence halfpenny, and the prime, which is to go for a penny farthing: out of any tale of each of which species there can be no just number of shillings be made, as I think, but 5s., 10s., 15s., and 20s.; but they always fall into fractions. This new intended shilling alone seems to be suited to our accounting in pounds, shillings and pence. The great pieces, as scepters, and half-scepters, which are made to serve for the payment of greater sums, and are for dispatch in tale, will not in tale fall into even pounds. And I fear it will puzzle a better arithmetician than most countrymen are, to tell, without pen and ink, how many of the lesser pieces (except the shillings) however combined, will make just sixteen or seventeen shillings. And I imagine there is not one countryman of three, but may have it for his pains, if he can tell an hundred pounds made up of a promiscuous mixture of the species of this new raised money (excluding the shillings) in a day's time. And that, which will help to confound him, and every body else, will be the old crowns, half-crowns, shillings, and sixpences current for new numbers of pence. So that I take it for granted, that if our coin be raised as is proposed, not only all our clipped, but all our weighty and milled money, must of necessity be recoined too; if you would not have trade disturbed, and people more diseased with new money, which they cannot tell, nor keep accounts in, than with light and clipped money, which they are cheated with. And what a charge the new coining of all our money will be to the nation, I have computed in another place. That I think is of some consideration in our present circumstances, though the confusion that this new raised money, I fear, is like to introduce, and the want of money, and stop of trade, when the clipped money is called in, and the weighty is to be recoined, be of much greater.

His fourth, eighth, and ninth reasons, p. 84, and 86, are taken from the saving our present milled money from being cut and recoined. The end I confess to be good: it is very reasonable, that so much excellent coin, as good as ever was in the world, should not be destroyed. But there is, I think, a surer and easier way to preserve it, than what Mr. Lowndes proposes. It is past doubt, it will be in no danger of recoining, if our money be kept upon the present foot: but if it be raised, as Mr. Lowndes proposes, all the present milled money will be in danger, and the difficulty of counting it, upon the new proposed foot, will enforce it to be recoined into new pieces of crowns, half-crowns, shillings, and sixpences, that may pass for the same number of pence the present do, sixty, thirty, twelve, and six, as I have above shewn. He says in his fourth reason, that 'if pieces having the same bigness should have different values, it might be difficult for the com-

mon people (especially those not skilled in arithmetick), to compute how many of one kind will be equal to the sum of another.' Such difficulties and confusion in counting money, I agree with him, ought carefully to be avoided. And therefore, since if pieces having the same bigness and stamp, which the people are acquainted with, shall have new values different from those which people are accustomed to ; and these new values shall in numbers of pence not answer our way of accounting by pounds and shillings, 'it will be difficult for the common people (especially those not skilled in arithmetick), to compute how many of any one kind will make any sum they are to pay, or receive ;' especially when the numbers of any one kind of pieces will be brought into so few even sums of pounds and shillings. And thus Mr. Lowndes's argument here turns upon himself, and is against raising our coin to the value proposed by him, from the confusion it will produce.

His eighth reason, p. 86, we have in these words : 'It is difficult to conceive how any design of amending the clipped money can be compassed, without raising the value of the silver remaining in them, because of the great deficiency of the silver clipped away, which (upon recoining) must necessarily be defrayed and borne, one way or other.'

It is no difficulty to conceive, that clipped money, being not lawful money, should be prohibited to pass for more than its weight. Next, it is no difficulty to conceive that clipped money, passing for no more than its weight, and so being in the state of standard bullion, which cannot be exported, should be brought to the mint, and there exchanged for weighty money. By this way, 'it is no difficulty to conceive how the amending the clipped money may be compassed, because this way the deficiency of the silver, clipped away, will certainly be defrayed and borne, one way or other.'

And thus I have gone over all Mr. Lowndes's reasons for raising our coin ; wherein, though I seem to differ from him, yet I flatter myself, it is not altogether so much as at first sight may appear ; since by what I find in another part of his book, I have reason to judge he is a great deal of my mind. For he has five very good arguments for continuing the present standard of fineness, each of which is as strong for continuing also the present standard of weight, *i. e.* continuing a penny of the same weight of standard silver, which at present it has. He, that has a mind to be satisfied of this, may read Mr. Lowndes's first five reasons, for continuing the present standard of fineness, which he will find in his 29, 30, 31, 32 pages of his report. And when Mr. Lowndes himself has again considered, what there is of weight in them, and how far it reaches, he will at least not think it strange, if they appear to me and others, good arguments against putting less silver into our coin of the same denominations, let that diminution be made what way it will.

What Mr. Lowndes says about gold coins, p. 88, &c., appears to me

highly rational, and I perfectly agree with him ; excepting only that I do not think gold is in regard of silver risen one-third in England ; which I think may be thus made out. A guinea weighing 5 penny-weights and 9 grains, or 129 grains ; and a pound sterling weighing 1860 grains ; a guinea at 20s., is as 129, to 1860 ; that is, as one to fourteen and an half.

A guinea at 22s. is as 129, to 2042, *i. e.* as one to sixteen.

A guinea at 30s. is as 129, to 2784, *i. e.* as one to twenty-one and an half, near.

He therefore, that receives 20s. milled money for a guinea, receives 1860 grains standard silver, for 129 grains of standard gold, *i. e.* fourteen and an half for one.

He who receives 22s. milled money for a guinea, has 2042 grains standard silver, for 129 grains standard gold, *i. e.* sixteen for one.

He who receives 30s. milled money for a guinea, has 2784 grains standard silver, for 129 grains of gold, *i. e.* twenty-one and an half for one.

But the current cash being (upon trials made about Midsummer last) computed by Mr. Lowndes, p. 108, to want half its standard weight, and not being mended since, it is evident, he who receives 30s. of our present clipped money, for a guinea, has but 1392 grains of standard silver, for 129 grains of gold, *i. e.* has but ten and three quarters of silver for one of gold.

I have left out the utmost precisions of fractions in these computations, as not necessary in the present case, these whole numbers shewing well enough the difference of the value of guineas calculated at those several rates.

If it be true, what I here assert, viz., that he who receives 30s. in our current, clipped money, for a guinea, receives not eleven grains of silver for one of gold ; whereas the value of gold to silver in all our neighbouring countries is about fifteen to one, which is about a third part more : it will probably be demanded, how it comes to pass that foreigners, or others, import gold, when they do not receive as much silver for it here, as they may have in all other countries ? The reason whereof is visibly this, that they exchange it not here for silver, but for our commodities : and our bargains for commodities as well as all other contracts being made in pounds, shillings, and pence, our clipped money retains amongst the people (who know not how to count but by current money) a part of its legal value, whilst it passes for the satisfaction of legal contracts, as if it were lawful money. As long as the king receives it for his taxes, and the landlord for his rent, it is no wonder the farmer and tenant should receive it for his commodities. And this, perhaps, would do well enough, if our money and trade were to circulate only amongst ourselves, and we had no commerce with the rest of the world, and needed it not. But here lies the loss. when

foreigners shall bring over gold hither, and with that pay for our commodities at the rate of 30s. the guinea, when the same quantity of gold that is in a guinea, is not beyond sea worth more silver than is in 20s. or 21s. 6d. of our milled lawful money: by which way of paying for our commodities, England loses near one third of the value of all the commodities it thus sells. And it is all one as if foreigners paid for them in money coined and clipped beyond sea, wherein was one-third less silver than there ought to be. And thus we lose near one-third in all our exportation, whilst foreign gold imported is received in payment for 30s. a guinea. To make this appear, we need but trace this way of commerce a little, and there can be no doubt of the loss we must suffer by it.

Let us suppose, for example, a bale of Holland linen worth there 180 ounces of our standard silver; and a bale of serge here, worth also the same weight of 180 ounces of the same standard silver; it is evident these two bales are exactly of the same value. Mr. Lowndes tells us, p. 880. 'That at this time the gold that is in a guinea (if it were carried to Spain, Italy, Barbary, and some other places,) would not purchase so much silver there, as is equal to the standard of twenty of our shillings,' *i. e.* would be in value there to silver, scarce as one to fourteen and a half: and I think I may say, that gold in Holland is, or lately was, as 1 to 15, or not much above. Taking then, standard gold in Holland to be in proportion to standard silver, as 1 to about 15, or a little more; 12 ounces of our standard gold, or as much gold as is in 44 guineas and a half, must be given for that bale of Holland linen, if any one will pay for it there in gold: but if he buys that bale of serge here for 180 ounces of silver, which is £48 sterling, if he pays for it in gold at 30s. the guinea, 32 guineas will pay for it. So that in all the goods, that we sell beyond seas for gold imported, and coined into guineas, unless the owners raise them one third above what they would sell them for in milled money, we lose twelve in 44 and a half, which is very near one third.

This loss is wholly owing to the permitting clipped money in payment. And this loss we must unavoidably suffer, whilst clipped money is current amongst us. And this robbing of England of near one third of the value of the commodities we send out, will continue, whilst people had rather receive guineas at 30s., than silver coin (no other being to be had) that is not worth half what they take it for. And yet this clipped money, as bad as it is, and however unwilling people are to be charged with it, will always have credit enough to pass, whilst the goldsmiths and bankers receive it; and they will always receive it, whilst they can pass it over again to the king with advantage, and can have hopes to prevail, that at last when it can be borne no longer, but must be called in, no part of the loss of light money, which shall be found in their hands shall fall upon them, though they have for

many years dealt in it, and by reason of its being clipped, have had all the running cash of the kingdom in their hands, and made profit of it. I say, clipped money, however bad it be, will always pass whilst the king's receivers, the bankers of any kind, and at last the exchequer, take it. For who will not receive clipped money, rather than have none for his necessary occasions, whilst he sees the great receipt of the exchequer admits it, and the bank and goldsmiths will take it of him, and give him credit for it, so that he needs keep no more of it by him than he pleases? In this state, whilst the exchequer receives clipped money, I do not see how it can be stopped from passing. A clipped half-crown that goes at the exchequer, will not be refused by any one, who has hopes, by his own or others hands, to convey it thither; and who, unless he take it, cannot trade, or shall not be paid. Whilst therefore, the exchequer is open to clipped money, it will pass, and whilst clipped money passes, clippers will certainly be at work; and what a gap this leaves to foreigners, if they will make use of it to pour in clipped money upon us (as its neighbours did into Portugal) as long as we have either goods, or weighty money, left to be carried away at 50 per cent. or greater profit, it is easy to see.

I will suppose the king receives clipped money in the exchequer, and at half, or three quarters loss, coins it into milled money. For if he receives all, how much soever clipped, I suppose the clippers' shears are not so squeamish as not to pare away above half. It will be a wonderful conscientiousness in them, nowhere that I know to be paralleled, if they will content themselves with less profit than they can make, and will leave seven pennyworth of silver in an half-crown, if six pennyworth and the stamp be enough to make it pass for half a crown. When his majesty hath coined this into milled money of standard weight, and paid it out again to the bankers, goldsmiths or others, what shall then become of it? Either they will lay it up to get rid of their clipped money, for nobody will part with heavy money, whilst he has any light; nor will any heavy money come abroad, whilst there is light left; for whoever has clipped money by him, will sell good bargains, or borrow at any rate of those, who are willing to part with any weighty, to keep that by him, rather than the clipped money he has in his hands. So that, as far as this reaches, no milled money, how much soever be coined, will appear abroad; or if it does, will it long escape the coiners' and clippers' hands, who will be at work presently upon it, to furnish the exchequer with more clipped money at 50, 60, 70, or I know not what advantage? Though this be enough to cut off the hopes of milled money appearing in payments, whilst any clipped is current; yet to this we may add, that gold, imported at an over-value, will sweep it away, as fast as it is coined, whilst clipped money keeps up the rate of guineas above their former value. This will be the circulation of our money, whilst clipped is permitted any way to be current.

And if store enough of clipped money at home, or from abroad, can be but provided (as it is more than probable it may, now the trade is so universal, and has been so long practised with great advantage, and no great danger, as appears by the few have suffered, in regard to the great numbers it is evident are engaged in the trade, and the vent of it here in England is so known and sure) I do not see how in a little while we shall have any money, or goods at all left in England, if clipping be not immediately stopped. And how clipping can be stopped, but by an immediate, positive prohibition, whereby all clipped money shall be forbid to pass, in any payment whatsoever, or to pass for more than its weight, I would be glad to learn. Clipping is the great leak, which for some time past has contributed more to sink us, than all the forces of our enemies could do. It is like a breach in the sea-bank, which widens every moment till it be stopped. And my timorous temper must be pardoned, if I am frighted with the thoughts of clipped money being current, one moment longer, at any other value but of warranted, standard bullion. And therefore, there can be nothing more true and reasonable, nor that deserves better to be considered, than what Mr. Lowndes says in his corollary, p. 90.

Whoever desires to know the different ways of coining money, by the hammer and by the mill, may inform himself in the exact account Mr. Lowndes has given of both, under his second general head; where he may also see the probablest guess that has been made of the quantity of our clipped money, and the silver deficient in it; and an account of what silver money was coined in the reigns of Queen Elizabeth, King James I. and Charles I., more exact than it is to be had anywhere else. There is only one thing which I shall mention, since Mr. Lowndes does it here again under this head, p. 100, and that is, melting down our coin; concerning which I shall venture humbly to propose these following questions.

1. Whether bullion be anything but silver, whose workmanship has no value?
2. Whether that workmanship, which can be had for nothing, has, or can have any value?
3. Whether, whilst the money in our mint is coined for the owners, without any cost to them, our coin can ever have any value above any standard bullion?
4. Whether, whilst our coin is not of value above standard bullion, goldsmiths and others, who have need of standard silver, will not take what is by the free labour of the mint ready essayed and adjusted to their use, and melt that down, than be at the trouble of melting, mixing, and assaying of silver for the uses they have?
5. Whether the only cure for this wanton, though criminal melting down our coin, be not, that the owners should pay one moiety of the

sixteen-pence half-penny which is paid per pound troy for coinage of silver, which the king now pays all?

6. Whether, by this means standard silver in coin will not be more worth than standard silver in bullion, and so be preserved from this wanton melting down, as soon as an over-balance of our trade shall bring us silver to stay here? For till then, it is in vain to think of preserving our coin from melting down, and therefore to no purpose till then to change that law.

7. Whether any laws, or any penalties, can keep our coin from being carried out, when debts contracted beyond seas call for it?

8. Whether it be any odds to England, whether it be carried out, melted down into bullion, or in specie?

9. Whether, whilst the exigencies of our occasions and trade call for it abroad, it will not always be melted down for the conveniency of exportation, so long as the law prohibits its exportation in specie?

10. Whether standard silver in coin and in bullion, will not immediately be of the same value, as soon as the prohibition of carrying our money in specie is taken off?

11. Whether an ounce of silver the more would be carried out in a year, if that prohibition were taken off?

12. Whether silver in our coin, will not always, during the prohibition of its exportation, be a little less worth than silver in bullion, whilst the consumption of foreign commodities beyond what ours pay for, makes the exportation of silver necessary? And so, during such a state, raise your money as much, and as you will, 'silver in the coin will never fetch as much as the silver in bullion,' as Mr. Lowndes expresses it, p. 110.

As to the inconveniences and damages we sustain, by clipped money passing by tale, as if it were lawful; nothing can be more true, more judicious, nor more weighty, than what Mr. Lowndes says, under his third general head; wherein I perfectly agree with him, excepting only, where he builds anything upon the proposed raising our coin one fifth. And to what he says, p. 114, concerning our being 'deprived of the use of our heavy money, by men's hoarding it, in prospect that the silver contained in those weighty pieces, will turn more to their profit, than lending it at interest, purchasing, or trading therewith;' I crave leave to add, That those hoarders of money, a great many of them, drive no less, but rather a greater trade, by hoarding the weighty money, than if they let it go abroad. For, by that means all the current cash being light, clipped, and hazardous money, it is all tumbled into their hands, which gives credit to their bills, and furnishes them to trade for as much as they please, whilst everybody else scarce trades at all, (but just as necessity forces,) and is ready to stand still.

Where he says, p. 114, 'It is not likely the weighty monies will

soon appear abroad, without raising their value, and recoining the clipped monies.' I should agree with him, if it ran thus: without recoining the clipped, and in the meantime making it go for its weight. For that will, I humbly conceive, bring out the heavy money, without raising its value, as effectually and sooner; for it will do it immediately: his will take up some time. And I fear, if clipped money be not stopped, all at once and presently, from passing any way in tale, the damage it will bring will be irreparable.

'Mr. Lowndes's fourth general head is, to propose the means, that must be observed, and the proper methods to be used in, and for the re-establishment of the silver coins.'

The first is, 'That the work should be finished in as little time as may be; not only to obviate a farther damage by clipping in the interim, but also that the needful advantages of the new money may be sooner obtained for the service of the nation.'

These, I agree with him, are very good and necessary ends; but they are both to be attained, I conceive, much sooner by making clipped money go for its weight, than by the method Mr. Lowndes proposes. For this immediately puts an end to clipping, and obviates all farther damage thereby. Next, it immediately brings out all the hoarded, weighty money, and so that advantage will be sooner obtained for the service of the nation, than it can any other way besides. Next, it preserves the use of clipped money for the service of the nation, in the interim, till it can be recoined all at the Tower.

His second proposition is, 'That the loss, or the greatest part of it, ought to be borne by the publick, and not by particulars, who, being very numerous, will be prejudiced against a reformation for the public benefit, if it be to be effected at the cost of particular men.'

A tax given to make good the defect of silver in clipped money, will be paid by particulars; and so the loss will be borne by particular men: and whether these particulars be not more numerous, or at least a great number of innocent men of them more sensibly burdened that way, than if it takes its chance in the hands of those men, who have profited by the having it in their hand, will be worth considering. And I wish it here well weighed, which of the two ways, the greater number of men would be most dangerously prejudiced against this reformation. But as Mr. Lowndes orders the matter, everybody will, I fear, be prejudiced against this reformation, when (as he divides it, p. 133, 134,) the owners will bear near one-half of the loss, in the price of his clipped money, and every body else his part of the remainder, in a tax levied on them for it. I wish a remedy could be found without anybody's loss. Most of those ways I have heard proposed, to make reparation to every particular man, for the clipped money shall be found in his hands do so delay the remedy, if not entail clipping upon us, that I fear such a care of particulars endan-

gers the whole. And if that suffer, it will go but ill with particulars. I am not for hindering those who have clipped money, from any recompence which can be provided and made them. The question here, is not whether the honest countryman shall bear the loss of his clipped money, without any more ado, or pay a tax to recompense himself. That, which I humbly conceive, the nation is most concerned in, is that clipping should be finally stopped, and that the money, which remains, should go according to its true value, for the carrying on of commerce, and the present supply of people's exigencies, till that part of it, which is defaced, can by the mint be brought to its legal and due form. And therefore I think it will be the rational desire of all particulars, that the shortest and surest way, not interfering with law, or equity, should be taken to put an effectual end to an evil, which, every moment it continues, works powerfully towards a general ruin.

His fourth proposition is, 'That no room must be left for jealousy,' I acknowledge to be a good one, if there can be a way found to attain it.

I cannot but wonder to find the words, p. 124, 'That no person whatsoever shall hereafter be obliged to accept, in legal payments, any money whatsoever, that is already clipped, or may hereafter be clipped, or diminished; and that no person shall tender, or receive, any such money in payment, under some small penalty to be made easily recoverable, &c.'

As if any man now were obliged to receive clipped money in legal payment, and there were not already a law, with severe penalties, against those who tendered clipped money in payment?

It is a doubt to me, whether the warden, master-worker, &c. of the mint at the Tower, could find fit and skilful persons enough to set nine other mints at work, in other parts of England, in a quarter of a year, as Mr. Lowndes proposes, p. 127. Besides, Mr. Lowndes tells us, p. 96, that the engines, which 'put the letters upon the edges of the larger silver pieces, and mark the edges of the rest with a grain-ing, are wrought secretly.' And indeed, this is so great a guard against counterfeiting, as well as clipping our money, that it deserves well to be kept a secret, as it has been hitherto. But how that can be, if money be to be coined in nine other mints, set up in several parts, is hard to conceive. And lastly, perhaps, some may apprehend it may be of ill-consequence to have so many men instructed and employed in the art of coining, only for a short job, and then turned loose again to shift for themselves, by their own skill and industry, as they can.

The provision made in his fourth rule, p. 136, 'to prevent the gain of subtle dealers by culling out the heaviest of the clipped pieces,' though it be the product of great sagacity and foresight, exactly calculated, and as well contrived, as in that case it can be; yet I fear is too

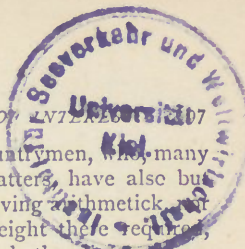
subtle for the apprehension and practice of countrymen, who, many of them, with their little quickness in such matters, have also but small sums of money by them, and so neither having arithmetick, nor choice of clipped money, to adjust it to the weight there required, will be hardly made to understand it. But I think the clippers have, or will take care that there shall not be any great need of it.

To conclude : I confess myself not to see the least reason, why our present milled money should be at all altered in fineness, weight, or value. I look upon it to be the best and safest from counterfeiting, adulterating, or any ways being fraudulently diminished, of any that ever was coined. It is adjusted to our legal payments, reckonings, and accounts, to which our money must be reduced : the raising its denomination will neither add to its worth, nor make the stock we have more proportionate to our occasions, nor bring one grain of silver the more into England, nor one farthing advantage to the publick : it will only serve to defraud the king, and a great number of his subjects, and perplex all ; and put the kingdom to a needless charge of recoinning all, both milled as well as clipped money.

If I might take upon me to offer anything new, I would humbly propose, that since market and retail trade requires less divisions than six-pences, a sufficient quantity of four-penny, four-penny halfpenny, and five-penny pieces should be coined. These in change will answer all the fractions between sixpence and a farthing, and thereby supply the want of small monies, whereof I believe nobody ever saw enough common to answer the necessity of small payments ; whether, either because there was never a sufficient quantity of such pieces coined, or whether because of their smallness they are apter to be lost out of any hands, or because they oftener falling into children's hands, they lose them, or lay them up ; so it is, there is always a visible want of them ; to supply which, without the inconveniences attending very small coin, the proposed pieces, I humbly conceive will serve.

If it be thought fit for this end to have fourpence, fourpence halfpenny, and five-penny pieces, coined, it will, I suppose, be convenient that they should be distinguished from sixpences, and from one another, by a deep and very large plain difference in the stamp on both sides, to prevent mistakes, and loss of time in telling of money. The fourpence halfpenny has already the harp for a known distinction, which may be fit to be continued ; the fivepence may have the feathers, and the fourpence this mark IV. of four on the reverse : and on the other side they may each have the king's head with a crown on it, to show on that side too, that the piece so coined, is one of those under a sixpence ; and with that they may each, on that side also, have some marks of distinction one from another, as the fivepence this mark of V., the fourpence halfpenny a little harp, and the fourpence nothing.

These, or any other better distinctions, which his majesty shall or-



der, will in tale readily discover them, if by chance any of them fall into larger payments, for which they are not designed.

And thus I have, with as much brevity and clearness as I could, complied with what Mr. Lowndes professes to be the end of printing his report in these words, viz. 'That any persons, who have considered an affair of this nature may (if they please) communicate their thoughts for rendering the design here aimed at more perfect, or more agreeable to the publick service.' It must be confessed, that my considerations have led me to thoughts, in some parts of this affair, quite opposite to Mr. Lowndes's: but how far this has been from any desire to oppose him, or to have a dispute with a man, no otherwise known to me but by his civilities, and whom I have a very great esteem for, will appear by what I printed about raising the value of money, about three years since. All that I have said here, in answer to him, being nothing but the applying the principles I then went on, particularly now, to Mr. Lowndes's arguments, as they came in my way; that so thereby others may judge what will, or will not, be the consequences of such a change of our coin, as he proposes; the only way, I think, of rendering his design more agreeable to the publick services.

One shilling contained of fine silver.

28 Edw. 1...264 gr.	1 Hen. 6...142 gr.	34 Hen. 8...100 gr.
18 Edw. 3...236 gr.	4 Hen. 6...176 gr.	36 Hen. 8... 60 gr.
27 Edw. 3...213 gr.	49 Hen. 6...142 gr.	37 Hen. 8... 45 gr.
9 Hen. 5...176 gr.	1 Hen. 8...118 gr.	

The fineness increased, but the weight lessened.

3 Edw. 6...40 gr.	6 Edw. 6...88 gr.	43 Eliz.....86 gr.
5 Edw. 6...20 gr.	2 Eliz.....89 gr.	i. e. 7½ gr. in a penny.

WILLIAM III.—£1 troy of sterling silver is coined in 62s., the remedy over or under is $2\frac{1}{4}$ pwt. or 6d. $\frac{1}{4}$, which is the 124 part sere v. pl. 8 August, 1699.

SPECIES.	oz.	pwt.	gr.	Just std.	oz.	pwt.	sh.	pen.
Mexico real	0	17	12	better.	0	0	4	4½
Ducatoon of Flanders	1	0	22	.....	0	4½	5	4
Sevil real	0	17	12	worse	0	1	4	4¼
Holland dollar	0	18	5	.....	0	10	4	4
Lyon dollar	0	17	18½	.....	2	3	3	4½
Rixdollar of the Empire	0	18	15	.....	0	7½	4	5¾
Old cardecu	0	6	3½	.....	0	1	1	6¼
French lewis	0	17	11	.....	0	0½	4	4¼
Double milrez of Portugal ...	0	14	4	.....	0	1½	3	6¼
Single milrez of Portugal ...	0	7	2	.....	0	1	1	9
St. Mark of Venice	0	10	4	.....	0	1½	0	6
Double Dutch styver	0	1	0	.....	4	6	2	1¾
Cross dollar	0	18	0	.....	0	12	4	2½
Zealand dollar	0	13	0	.....	2	0	2	3
Old Philip dollar	1	2	0	.....	1	0	5	0
Ferdinando dollar 1623	0	18	6	.....	0	12½	4	3
Prince of Orange dollar 1624	0	18	6	.....	0	10½	4	3¾
Leopoldus dollar 1624	0	18	2	.....	0	9½	4	3¼
Rodolphus dollar 1607	0	18	7	.....	0	10	4	4
Maximilian dollar 1616	0	18	2	.....	0	4½	4	4¾
Danish dollar 1620	0	13	0	.....	0	13	2	11¼
Portugal testoon	0	5	0	.....	0	1	1	2¾
The quarter of a new } French lewis	0	4	9	.....	0	0½	1	1

A pound of troy standard gold is cut into guineas 44½, one guinea weighs gr. 129¾, i. e. 5 pw. 9 gr. ¾.

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