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Short Observations on a Printed Paper, Entitled "For encouragingcoining Silver Money in England, and after for keeping it." John Locke THE author says, "Silver yielding the proposed 2d. or 3d. by the ounce, than it will do by being coined into money, will be none coined into money; and matter of fact shows is none." It would be hard to know what he means, when he says, "silver 2d. or 3d. more by the ounce, than it will do by being into money:" but that he tells us in plain words at the of the leaf, "that an ounce of silver uncoined is of 2d. value than after it is coined it will be;" which, I take the to say, is so far from being true, that I affirm it is to be so. For which I shall only give this short, viz. because the stamp neither does nor can take away any the intrinsic value of the silver; and therefore an ounce of standard silver must necessarily be of equal value to an of uncoined standard silver. For example, suppose a has a round plate of standard silver, just of the, size, and weight of a coined crown-piece, which, for's sake, we will suppose to be an ounce; this ounce of silver is certainly of equal value to any other ounce of standard silver in his shop; away he goes with his piece of silver to the Tower, and has the stamp set it; when he brings this numerical piece back again to his coined, can any one imagine that it is now 2d. less worth it as when he carried it out smooth, a quarter of an hour; or, that it is not still of equal value to any other of unwrought standard silver in his shop? He that can say is 2d. less worth than it was before it had the king's image and inscription on it, may as well say, that sixty grains of, brought from the Tower, are worth but fifty-eight grains of silver in Lombard-street. But the author very warily limits this ill effect of coinage to England; why it is in England, and not every where, would reason. But let us grant it to be true, as our author affirms, that silver in England is one-thirtieth worse, or of less, than uncoined; the natural consequence from this, if it be, is, that it is very unfit that the mint should be employed in England, where it debases the silver one-thirtieth; for, if stamp lessens the value of our silver this year, it will also do the next, and so on to the end of the world, it always the same way. Nor will the altering the denomination, as proposed, at all help it. But yet he thinks he has some proof for his proposition, it is matter of fact that there is no money coined at the. This is the great grievance, and is one indeed, but for a reason from what seems to inspire that paper. The matter in short is this; England sending more consumables to Spain than it receives from thence, the merchants, manage their trade, bring back the overplus in bullion, at their return, they sell as a commodity. The chapmen, give highest for this, are, as in all cases of buying and, those who can make most profit by it; and those are the of our money, by exchange, into those countries where debts, any way contracted, make a need of it: for they 6, 8, 10, &c. per cent according to the want and demand of money from England there, an according to the risk of the sea, up this bullion, as soon as it comes in, to send it to their in those parts, to make good their credit for the they have drawn on them, and so can give more for it than mint-rate, i.e. more than equal weight of milled money for an weight of standard bullion; they being able to make more of it by returns. Suppose the balance of our trade with Holland were in all commodities equal, but that in the last East India sale we of them of East India commodities to the value of a, to be paid in a month; within a month a million must be into Holland: this presently raises the exchange, and traders in exchange sell their bills at high rates; but the of trade being (as is supposed in the case) equal in all commodities, this million can no way be repaid to their, on whom those bills were drawn, but by sending money or bullion to reimburse them. This is the true reason why the bullion brought from Spain is carried to the mint to be coined, but bought by traders in exchange, and exported by them, to supply the overplus of expenses there, which are not paid for by our

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commodities. will the proposed raising of our money, as it is called, we coin our money for the future one-thirtieth, ortwentieth, or one-half lighter than now it is, bring onemore to the mint than now, whilst our affairs in this remain in the same posture. And I challenge the author to that it will; for saying is but saying. Bullion can never to the mint to be coined, whilst the over-balance of trade foreign expenses are so great, that to satisfy them, not only bullion your trade in some parts now yearly brings in, but some of your formerly coined money is requisite, and must be out: but when a change in that brings in and lodges bullion, (for now it seems it only passes through England) the of silver and gold staying in England will again bring to the mint to be coined. This makes it easily intelligible how comes it to pass that, now at the mint they can give but 5s. 2d. per ounce for, they can give 5s. 4d. the ounce in Lombard-street, (which what our author means when he says, "silver is now worth but s. 2d. the ounce at the mint, and is worth 5s. 4d. elsewhere.") reason whereof is plain, viz, Because the mint, giving money for bullion, can give so much and no more for than it is coined at, which is 5s. 2d. the ounce, the paying all the odds that is between coined and uncoined, which is the manufacture of coinage: but the banker, or of money, having use for silver beyond sea, where he can his profit of it, by answering bills of exchange, which he dears, must either send our money in specie, or melt down coin to transport, or else with it buy bullion. The sending or money in specie, or melting it down, has some, and therefore, if he could have bullion for 5s, 2d. per, or a little dearer, it is like he would always rather to exchange corn for bullion, with some little loss, than run the risk of melting it down for exportation. But this would scarce make him pay 2d. in the crown, which is three and a half per cent., if there were not something in it than barely the risk of melting, or exportation; and is the lightness of the greatest part of our current coin. example, N. has given bills for thirty thousand pounds in Flanders, and so has need of ten thousand weight of to be transported thither; he has thirty thousand pounds by him in ready money, whereof five thousand pounds is milled money; what shall hinder him then from throwing into his melting-pot, and so reducing it to bullion to be? But what shall he do for the other twenty-five pounds, which, though he has by him, is yet clipped and money, that is at least twenty per cent. lighter than the? If he transports or melts down this, there is so much loss to him; it is therefore more advantage to him to buy at 5s. 4d. the ounce with that light money, than to melt it down; wherein, though the seller of the has less weight in silver than he parts with, yet he his account, as much as if he received it in weighty coin, a clipped crown-piece, or shilling, passes as well in for any commodity here in England as a milled one. Thus mint is kept from coining. But this paper, For encouraging the coining, &c. would faint the mill at work, though there be no grist to be had, unless grind over again what is ground already, and pay toll for it second time: a proposition fit only for the miller himself to; for the meanest housewife in the country would laugh at it, soon as proposed. However, the author pleases himself, and he has a good argument to make it pass, viz, because the to be paid for it will not amount to three hundred and thousand pounds, as is said in a late treatise about the value of money, p. 170; for, he says, that writer is in saying that "3s. and 6d. is allowed at the mint for coinage of every pound troy, "whereas there is but sixteen halfpenny there allowed for the same; which sixteen pence being above one-third of 3s. 6d. it follows by his own, that the new coining our money will cost the nation one hundred and ten thousand pounds; a small sum, in this plenty of riches, to be laid out for the purchasing these inconveniencies, without any the least advantage. 1. A loss to the king of one-thirtieth (if you coin your 2d. per crown, one-twentieth, if you coin your money 3d. crown lighter) of all his standing revenue. 2. A like loss of one-

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twentieth, or one-thirtieth, in all that are settled; for these have, during the term, the of rent-sec: but five per cent. loss in a man's income heso little, it will not be perceived. 3. Trouble to merchants in their trade. These inconveniencis is forced to allow. He might have said disorder to all people their trade, though he says it will be but a little trouble to, and without any real damage to trade. The author woulddne well to have made out this, and a great many other in that paper; but saying is much easier, if that may for proof. Indeed he has, by a short way, answered the book mentioned, in the conclusion of his paper, in these words: "And he that so grossly mistakes in so material points of what he assert, it is plain is not free from mistakes." It does not that he who published that book ever thought himself free mistakes; but he that mistakes in two material points ay bethe right in two others, and those will still need an answer. one of these material points will, I think, by what is said, appear not to be a mistake; and for any thing the of the paper hath said, or can say, it will always be, that an ounce of silver coined, or not coined is, and will be, of equal value to any other ounce of silver. to any other mistake concerning the rate of coinage, it is he had his information from some disinterested person, whom thought worthy of credit. And whether it be 3s. 6d., as he was, or only sixteen-pence halfpenny per pound troy, as the says, whether the reader will believe the one or the other, think it worth his more exact inquiry, this is certain, the thought not to be at that, or any other charge, where there no advantage, as there will be none in this proposed coinage, quite the contrary. In his answer to Object. 1. He says from Edw. III. "Silver has from time to (as it grew in esteem) been by degrees raised in all mints." If an ounce of silver now not exchanging or paying for what tenth of an ounce would have purchased in Edward the Third's, and so being ten times less worth now than it was then, be in esteem, this author is in the right; else silver has, since Edward the Third's reign, from time to time grown in. Be that as it will, he assigns a wrong cause of raising silver, as he calls it, in our mint. For if growing thus in, i.e. by lessening its value, has been the reason of our money, this change of coin, or raising the of silver in ours, and other mints, ought to have greater by much, since Henry the Seventh's time, than it was that and Edward the Third's; because the great change of value of silver has been made by the plenty of it poured into part of the world from the West Indies, not discovered till the Seventh's reign. So that I think I may say, that the of silver from Edward III. to Henry VII. changed not tenth, but from Henry VII. till now it changed above tenths; and yet, money having been raised in our mint thirds since Edward the Third's time, the far greater part of raising of it was before Henry the Seventh's time, and a very part of it since; so that the cause, insinuated by our, it is evident, was not the cause of lessening our coin so, whatever it was: and it is possible there wanted not men projects in those days, who for private ends, by wrong, and false reasonings, covered with mysterious terms, those into mistakes, who had not the time and will nicely to; though a crown-piece three times as big as one of ours, might, for its size alone, deserve to be reformed. To Object. 2 he says, "The raising the denomination of money Spain and Portugal, was making it go for more when coined than true value." This, I say, is impossible, and desire the author to prove. It did in Spain and Portugal, just what it will do here and where; it made not the silver coined go for more than its, in all things to be bought, but just so much as the was raised, just so much less of commodity had their exchange for it: as it would be here, if you should coin into shillings; if any one went to market with this new, he would find that, whereas he had a bushel of wheat last for eight shillings of the former coin, he would have now half a bushel for eight of the new shillings, when the same had but half the quantity of silver. Indeed those were to receive money upon

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former contracts would be half their due, receiving, in their full tale of any contracted for, but half the silver they should; the cheat whereof they would find, when they went to market their new money. For this I have above proved, that one ounce of silver is, and eternally will be, equal in value to an ounce of silver; and all that can possibly put between them is only the different value of the bestow'd on one more than another which in coinage, author tells in this paper, is but sixteen-pence halfpenny pound troy. I demand therefore of our author, to show that sort or, as he calls it, raising of money, can raise value of silver, or make it go for more than uncoined, bating the of coinage; unless it be to those who, being to receive upon former contracts, will, by receiving the tale agreed, receive less than they should of silver, and so be defrauded what they really contracted for. What effect such a raising of their money had in one, I will tell our author. In Portugal they count their by reys, a very small, or rather imaginary coin, just as if here should count all our sums by farthings. It pleased the, possibly being told that it would raise the value of money, to raise in denomination the several species, and them go for a greater (let us suppose double) the number of than formerly. What was the consequence? It not only the property of the subject, and disturbed affairs to purpose; but treaties of commerce having settled the rates of customs at so many reys on the several commodities, the king lost in the value half his customs. The same that will happen in the settled revenue of the crown here, the proposed change. For though our author in these words, "whereas all now by this act is to keep silver, when coined, of the same it was before," would insinuate, that this raising the, or lessening our coin, as is proposed, will do nothing; yet it is demonstration, that when our coin is 3d. in 5s., the king will receive five per cent. less in his customs, excise, and all his settled revenue, and so, as the quantity of silver in every species of our, shall be made less than now it is coined in those of the denomination. But, whatever our author means by "making money go for more coined than its true value, or by keeping silver, when, of the same value it was before;" this is evident, that their money thus, by coining it with less silver in it it had before, had not the effect in Portugal and Spain, our author proposes from it here: from it has not brought penny more to the mint there, nor kept their money, or, from exportation since, though forfeiture and death be penalties joined in aid to this trick of raising to keep it. But our author tells us in answer to Object 4. This "will ever at all be perceived." If of 100 guineas a man has in pocket, five should be picked out, so he should not perceive, the fraud and the loss would not be one jot the less; and he perceived it not when, or how it was done, yet he will it in his accounts, and the going so much back in his estate the end of the year. To Object 3 he says, The "raising your coin (it may be) may the price of bullion here in England." An ounce of silver always be equal in value to an ounce of silver every where, the workmanship. I say it is impossible to be otherwise, require our author to show it possible in England, or any, or else hereafter to spare his "may be." To avoid, I desire to be understood, when I use the word silver, to mean nothing but silver, and to lay aside the of baser metals that may be mixed with it: for I do say that an ounce of standard, that has almost one-twelfth of in it, is of equal value with an ounce of fine silver that no alloy at all; but that any two ounces of equally alloyed will always be of equal value; the silver being the of commerce, it is the quantity of silver that is in piece he receives, and not the denomination of it, which merchant looks after, and values it by. But this raising of the denomination our author would have, because it will be "better for the possessors of bullion," he says, Answer 3. But who are they who now in England are or private men are there in of that consideration, that for advantage all money should be new coined, and of a less charge to the nation, and

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loss to revenue? He farther adds, Answer 3, It not thence inevitably follow, will raise "the price of bullion beyond sea." It will as inevitably follow, as that nineteen ounces of will never be equal in weight, or worth, to twenty ounces silver: so much as you lessen your coin, so much more you must in tale, as will make the quantity of silver the merchant for his commodity; under what denomination soever heit. The clothier, thus buying his Spanish wool, oil, and labour, five per cent. more in denomination, sells his woollen proportionably dearer to the English merchant, who, it to Spain, where their money is not changed, sells it the usual market rate, and so brings home the same quantity of for it which he was wont; which, therefore, he must sell you at the same raised value your money is at: and what then gained by all this? The denomination is only changed to the of the public; but as to all the great matters of your, the same quantity of silver is paid for commodities as, and they sold in their several foreign markets for the quantity of silver. But whatever happens in the rate of bullion, the raising of the denomination of our money bring none of it to our mint to be coined; that depends on balance of our trade, and not on lessening our coin under the denomination: for whether the pieces we call crowns be 16, 24, or 100 grains lighter, it will be all one as to value of bullion, or the bringing more or less of it into our mint. What he says in his answer to Object. 4, besides what we have taken notice of, is partly against his bill, and partly. 1. He says, "It may be some (as it is now) gain to those, will venture to melt down the milled and heavy money now." That men do venture to melt down the milled and heavy is evident, from the small part of milled money is now to found of that great quantity of it that has been coined; and evidence is this, that milled money will now yield four five more per cent. than the other, which must be to melt down use as bullion, and not as money in ordinary payments. The whereof is, the shameful and horrible debasing, (or as our would have it, raising) our unmilled money by clipping. For the odds betwixt milled and unmilled money being now, speaking, above twenty per cent., and bullion, forelsewhere given, being not to be had, refiners, and such have need of silver, find it the cheapest way to buy milled for clipped, at four, five, or more per cent. loss. I ask, therefore, this gentleman, What shall become of all present milled and heavy money, upon the passing of this act? which his paper almost confesses, what I will venture to for him, viz. that, as soon as such a law is passed, the and heavy money will all be melted down; for it being five cent. heavier i.e. more worth than what is to be coined in mint, nobody will carry it thither to receive five per cent. for it, but sell it to such as will give four, or four and a per cent. more for it, and at that rate melt it down with: for Lombard-street is too quick-sighted, to give sixty of silver for fifty seven ounces of silver, when bare it into the melting-pot will make it change for its weight. So that by this law five per cent. gain on all our money will be given to be shared between the possessor and melter of our milled money, out of the honest creditor and's pocket, who had the guaranty of the law, that under a tale of pieces, of such a denomination as he let his land, he should have to such a value, i.e. such a weight in. Now I ask, Whether it be not a direct and unanswerable against this bill, that he confesses, that it will be "at to those, who will melt down the milled and heavy money," so much loss to the public; and not, as he says, "with very loss to those, that shall be paid in the new," unless he five per cent. very small loss; for just so much is it to but fifty-seven grains, or ounces of silver, for sixty, is the proportion in making your crowns 3d. lighter. This certain, nobody will pay away milled or weighty crowns for, or commodities, when it will yield him four or five per. more; so that which is now left of weighty money, being up and down the kingdom, into private hands, which tell how to melt it down, will be kept up and lost

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to our. And, as to your clipped and light money, will you make aact for coinage, without taking any care for that? The makingnew standard for your money cannot do less than make all money, is lighter than that standard, unpassable; and thus theand heavy money not coming into payment, and the light andnot being lawful money, according to the new standard, must needs be a sudden stop of trade, and it is to be, 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, I take the liberty to say is a mistake; which, though areply to an assertion without proof, yet I shall notfar imitate this author as barely to say things: and, I shall add this reason for what I say, viz. Becausecan truly raise the value, i.e. the rent of land, but theof your money; but because raising the value of land isphrase, which, by its uncertain sense, may deceive others, wereckon up these several, meanings of it. 1. The value of land is raised, when its intrinsic worth is, i.e. when it is fitted to bring forth a greaterof any valuable product. And thus the value of land isonly by good husbandry. 2. The value of land is raised, when, remaining of the same, it comes to yield more rent, and thus its value isonly by a greater plenty of money and treasure. 3. Or it may be raised in our author's way, which is, bythe rent in tale of pieces, but not in the quantity ofreceived for it; which, in truth, is no raising it at all, more than it could be accounted the raising of a man's rent, he let his land this year for forty sixpences, which last yearlet for twenty shillings. Nor would it alter the case, if hecall those forty sixpences forty shillings; for having butthe silver of forty shillings in them, they would be but ofthe value, however their denomination were changed. In his answer to the fifth objection, there is this dangerous, That coin, in any country where it is coined, goesby weight, i.e. has its value from the stamp and, and not the quantity of silver in it. Indeed inalready made, if your species be by law coined a fifthlighter, under the same denomination, the creditor must takehundred such light shillings, or twenty such light crown-pieces5l. if the law calls them so, but he loses one-fifth, in thevalue of his debt. But, in bargains to be made, andto be purchased, money has, and will always have, itsfrom the quantity of silver in it, and not from the stampdenomination, as has been already proved, and will, some timeother, be evidenced with a witness, in the clipped money. Andit were not so, that the value of money were not according toquantity of silver in it, i.e. that it goes by weight, I seereason why clipping should be so severely punished. As to foreigners, he is forced to confess, that it is all oneour money is, greater or less, who regard only the quantitysilver they sell their goods for; how then can the lesseningmoney bring more plenty of bullion into England or to the? But he says, "The owners and importers of silver will find amArket at the mint," &c. But always a better instreet, and not a grain of it will come to the mint, asas by an under-balance of trade, or which other foreign, we contract debts beyond sea, which require theof greater sums thither, than are imported in bullion."for above forty years after silver was raised, in thethird year of queen Elizabeth, from 5s. to 5s. 2d. the, uncoined silver was not worth above 4s. 10d. per ounce;"- the cause was not that raising of silver in the mint, but anbalance of trade, which bringing in an increase of silver, for which men having no occasion abroad, brought it to mint to be coined, rather than let it lie dead by them in: and whenever that is the case again in England, it willcoining again, and not till then. "No money was in thoseexported," says he; no, nor bullion neither, say I; why, or how could it, when our exported merchandize paid forthe commodities we brought home, with an overplus of silvergold, which, staying here, set the mint on work. But thethis bill will not hinder the exportation of one ounceof bullion or money, which must go, if you contract debtssea;

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and how its having been once melted in England, which another thing proposed in this bill, shall hinder its, is hard to conceive, when even coining has not been to do it, as is demonstrable, if it be examined what vast of milled money have been coined in the two last reigns, and little of it is now left. Besides, if the exportation of should be brought under any greater difficulty than of other commodity, it is to be considered whether that trade, which is in skilful hands, will not be so ordered, -- as to divert it from coming to for the future, and cause it to be sent from Spain to those places where they know English debts will make return to best account, to answer bills of exchange sent.