

ing the intrinsic value of the monies of the respective nations compared together, is the true and only basis of exchanges (the truth of which position they do not dispute) yet if the mint-standard of silver money was lessened 5 or 6 per cent. or any other diminution which should more exactly correspond with the medium price of bullion in this country for these last 50 years, *it would not have any effect upon foreign exchanges*, though a greater diminution most probably would: and the reasons they give are as follow.

First, Coin was originally intended merely for the convenience of inland trade, and ought to correspond with the value of the metals of which it is composed when coined.

Secondly, We should, in that case, be on the same footing as every other country that takes care that money and bullion shall correspond in intrinsic value.

Thirdly, Though there are frequent variations of the standard in other countries, on account of the variations in the price of bullion, or from other causes, particularly in France, where they are perpetually vary-
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ing their standard, infomuch that it is impossible to ascertain, with accuracy, by any fixed tarif, the real value in weight and fineness, of 1000 French crowns coined in different years, though all are apparently equally fresh and good; yet it is not the practice of merchants, in the exchanges with France, to weigh and assay the crowns of the present year, and alter the exchanges, on a pretence, that the money coined this year is not so good as the last; but govern their price merely by the greater or less demand for bills to foreign countries; *though, if they were to make any material alteration, foreigners would doubtless have regard to it.* The foregoing instance is by no means given to recommend an uncertain system of coinage, as practised in France, but only to illustrate how far it is probable foreigners could avail themselves of the circumstances of the diminishing our standard, upon the reasonable grounds herein proposed.

Fourthly, No payments, particularly to foreign nations, are now made with our silver money, but in bullion, or gold coin; therefore the effects of the proposed diminution,

nution, would be merely internal, where-
in foreign countries would be in no wise
concerned.

Fifthly, Our present standard of silver
money is merely ideal, and as well known
by foreigners to be so, as by us at home:
we have little or no silver money current
at present equal to mint-standard; and if
the mint-standard were diminished five or
six per cent. it would be intrinsically worth
more than the silver money at present in
circulation; therefore, if foreigners do pay
so nice a regard to our existing coin, as to
fix the prices of exchanges to our prejudice,
in proportion to the badness of the curren-
cy, they could have no reasonable pre-
tence for raising it, to our prejudice, merely
*because we have made the currency better than
it is at present.*

Sixthly, Allowing that the current coin
of a nation is regarded in foreign commerce
merely according to its comparative value
as bullion; then foreigners will also
know, that, the standard being diminished,
as hereby proposed, it would be intrinsi-
cally worth as much bullion as could have
been bought at this market on the average

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of these last fifty years, with the money that hath been current ; therefore, although the exchanges were not altered in their favour, they being left to their choice, to take our bullion or our coin, it could be no prejudice to them, in the regular course of trade; but with this difference to ourselves, that the nation would save the loss which the exporters cause by a clandestine trade, which at present drains us of our good specie.

Seventhly, The probability of the medium price of bullion, in this country, in a series of years to come, being different from an averaged price made at present, and therefore a new regulation of the standard may be then necessary to be made again, does not appear to be a sufficient objection to prevent the rectifying of it now, agreeably to our present circumstances.

How far these reasons may be conclusive, I will not take upon me to determine; but confess, they appear to me to have considerable weight. If they should also appear so to the reader, they ought to be attended to, notwithstanding they seem to contradict the principles of Mr. Locke. I
have

have put down all the arguments which presented themselves; and if some of them may not appear conclusive, it is hoped they will not lessen the force of those which carry more weight. If government should think proper to refer the question to a committee of merchants, particularly of those gentlemen who are dealers in exchanges, to consider and report their opinion on this question, whether there is a probability, or not, of *foreign exchanges altering to our prejudice, in consequence of the proposed alteration; or that it would be more in our favour, upon a new coinage of silver money on the old standard*: after they had reported their opinion thereupon, we might form our judgements on the subject beyond mere conjecture.

I would not presume to put my judgement in competition with Mr. Locke's; but then, at the same time, it is surely paying too great a compliment to the judgement of any man, to prefer his to the united opinion and successful practice of every other civilized nation, and even of this nation, for time immemorial, before the age he lived in; especially when

the grievous consequences of his system daily teach us, that, however right it may be in speculation, it is certainly wrong in practice.

If, after the subject is duly weighed, it should appear, that the diminishing the standard, as above proposed, would be attended with no ill consequences on exchanges; I think there can be no objection started to prevent the adopting the measure, of coining the pound weight of silver into 65 or 66 shillings, whichever shall be thought the nearest to the averaged price of bullion, instead of 62 shillings, as at present; and the pound weight of gold into 45 guineas and an half, instead of 44 guineas and an half, as at present: this would make the gold and silver coins bear a due proportional intrinsic value, in currency, as they bear to each other as bullion; that is to say, 21 shillings would then be intrinsically worth as much as the new guinea, and no more; and both the guineas and the shillings would then be intrinsically worth just as much as the bullion you can now purchase with the present coin:

coin : therefore no injury could arise from hence to private property, in respect to either inland or foreign concerns.

The reader will clearly perceive, that the above regulations materially differ from the plan laid down by Mr. Lowndes, both with regard to the quantity of the diminution, and to the mode : He proposed that, as silver was risen, at the particular juncture of time when he wrote, to six shillings and five pence per ounce, the mint standard should be altered to that price, without considering the propriety of establishing a tariff, or average, from a calculation of a *series of years*. The high price, at that time, was owing, in a great measure, as he himself states, to temporary circumstances ; and that, at the end of the war then carrying on, bullion would probably be cheaper. Mr. Lowndes's inattention to the pernicious tendency, both at home and abroad, of making the standard correspond with a temporary high price, when trade should again flow on in its old course, gave great force to the arguments of Mr. Locke, for preserving the

old standard inviolate, rather than adopt so indigested a proposition.

He also proposed, that, in the coinage of the new silver money, the same intrinsic value should be preserved in each current piece as heretofore, *viz.* that the pound weight of silver should still be coined into sixty-two shillings; but that they should pass for fifteen pence, instead of twelve pence: this would have created much confusion in accounts; and it gave Mr. Locke fair occasion to be jocular upon him, by comparing his proposal to the boy who cut his leather into five quarters, in order to cover his ball, because when in four quarters it fell short. But the method herein proposed, perhaps, may obviate those objections.

Thus having, as I apprehend, traced the subject through its mazes, I leave to the public to determine, what is the cause of the *present high price of bullion.*

When once the source of the evil is discovered, the remedy is easily pointed out.

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The substance of my whole enquiry may be comprised in these two questions :

Is it owing to the bad state of our present current money? All we have to do is to amend it by a new coinage on the old standard; and we ought not to hesitate a moment to carry the measure into execution; for the national expence attending it would be very inadequate to the national benefit, as well as convenience.

But if the present high price of bullion should appear to be owing to the prices of exchanges between this country and foreign nations having risen to our prejudice of late years, compared with former times, and that this rise of exchanges is occasioned by the *annual balance sent hither being less than formerly*; which is my present opinion; and it also appears to me, that provided there is one million sterling annually remitted to foreigners, on account of interest of money they have lodged in our funds, though I believe it is usually estimated at one million and an half: this deficiency of balance proceeds principally from that circumstance, rather than from

the declension of our *actual trade*; for although, as it hath been observed by the Council of Trade, before cited, *this nation hath, of its own growth, manufacture, and product, always enough to oblige the importation of money and bullion upon all occasions, beyond any other nation whatsoever in Christendom*; yet the abovementioned annual deduction from the annual national profits arising from trade, or otherwise, which did not exist in former ages, must operate very strongly to our prejudice at this time. If the high price of bullion be owing to a deficiency of balance, let some other person, for I confess it is above my capacity, point out how that balance may be increased, as he, in preference to all others, should undoubtedly be first heard: but if this should be beyond the reach of human invention, I fear it will be in vain to attempt to resist the tide of times; and that we must at length be obliged to submit to the uncontrollable vicissitude of things, and endeavour to accommodate ourselves in the best manner we are able to the circumstances we shall find ourselves reduced to.

There.

Therefore, if it be found that the present high price of exchanges is owing to a deficiency of balance, I offer the above proposition for diminishing the standard of both gold and silver coin so much as to make them correspond with the price of bullion on the average of these last fifty years, and to make them correspond with each other in intrinsic value, as the only effectual method of supplying this country with a sufficiency of current money for any length of time; hoping the public will take it under consideration, how far the measure may at present be expedient.

I cannot take leave of the reader without observing, that, in the course of this enquiry, I frequently found myself much at a loss to form a decisive opinion. Mr. Locke's speculative reasonings appeared so conclusive, while, at the same time, facts seemed so clearly to contradict his system, that I found myself bewildered in the search; and I frequently laid down my pen, and said within myself, It is strange, that though money is an object we all pursue every day, we handle almost every hour, we endeavour to enjoy every minute, yet its properties

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we seem less acquainted with than of almost any other thing ; infomuch that we cannot even decisively determine whether, in making this money, it would be more convenient to divide a pound of the precious metal of which it is composed, into sixty-two pieces, or into sixty-six pieces, or into more or less ; for this knotty point has for a century past puzzled *the wisest men in the wisest nation in Europe*. It is the fashion of people in general, to declare the subject of coinage to be too intricate to be thoroughly explained or understood ; and without employing their thoughts in pointing out a mode of relief, they quietly sit down, after a momentary lamentation, and wish for more prosperous days, when the balance of trade may make bullion cheaper : in these delusive hopes we have been waiting for these last twenty years and upwards.

It seems to be the almost universally adopted opinion of men who have studied, or rather read and talked upon, the subject, that an alteration of our standard would be dangerous : and why ? Because Mr.

Locke

Locke has told us it would be wrong. Thus we superstitiously rest our faith upon his opinions, although it appears inconsistent with common sense, general experience, and the universal and successful practice of every other nation, and totally precludes us from the means of relief from our present grievances.

Perhaps it is beyond the reach of any one man's understanding, to comprehend this subject, in all its various lights, with proper accuracy and precision; until the necessary informations are obtained from the various classes of mankind. I shall therefore conclude with observing, that I am not singular in my opinion; for there are gentlemen, whom I have already hinted at, who are endowed with far greater knowledge in these matters than I can pretend to, who do not scruple to declare, That experience has taught them, commerce is governed by its own laws; and though sometimes it may deviate from strict philosophical justice, yet it is in vain to attempt to impede its course; it exercises over all property an uncontrollable power,

power, and every thing must submit to its laws against all human prevention; therefore making money to follow the course of trade, is not hunting a shadow, as Mr. Locke^m would have it, which it will never overtake; but following a substance, whose attraction it cannot resist.

To excite men of judgement and experience to re-consider this important question, has been my object in this publication; therefore, if any inaccuracies should appear, either in my calculations, or in any other parts of this enquiry, not essential to the argument, I hope they will be excused. After having endeavoured to state the several opinions and reasonings on all sides with candour and perspicuity, and ventured to give my reasons for altering the standard of both our silver and

^m I have been credibly informed, that Mr. Locke acknowledged, some years after he had published his *Considerations on the Raising the Value of Money*, that he had been mistaken in some points, through the haste in which he wrote, and from a want of a sufficient information on the subject.

gold

gold coins at present, as a proper mode of relief from the inconveniences arising from the present scarcity of specie; I leave to others more nicely to examine, and to determine, how far my arguments may be deemed conclusive; perhaps we may differ about the means of redress, yet in this we shall all agree, *that something however should be done.*

*Felix qui potuit boni
Fontem visere lucidum.*

THE END.

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