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Observations on Mr P's Reply

1 On the Argument against Paper Credit taken from the Course of the Coynage

To shew that the Coynage has decreased since the rise & growth of paper credit Mr P. (sec. 2, 3, 4, 6, 7) justifies his assertions that there were Coyned in silver Communibus Annis about 400000^{li} per Annum from 1640 to 1660, 200000^{li} per Annum and from 1660 to 1680 & less then 80000^{li} per Annum from 1680 to 1695 These Assertions I disputed not, Except that I affirmed the 400000^{li} per Annum to be not in silver alone but in gold & silver together. But I represented that from this decrease of the silver Coynage nothing could be argued against Paper Credit, & that for these two reasons.

First because Mr. P considers not the whole Coynage of both Gold & Silver together which makes our wealth but that of silver alone For the Coynage of silver from 1640 to 1660 was much greater then that of gold and now it is much less and this alteration of the proportion arises not from Paper Credit but from the growing Exportation of silver to the Indies while our gold stays at home, our Merchants finding that silver is a better Commodity in the Indies then gold

Secondly because the decrease of the Coynage from 1640 to 1695 was not uniform, as it should seem by Mr P's representation but had severall periods of increasing and decreasing according to the vicissitudes of Peace and war abroad all which ought to be distinguished and Considered severally before any thing can be concluded from the Course of the Coynage. For if the coynage in the reign of King Cha. & King James II increased with paper credit when according to his reckoning it should have decreased, if at other times the decrease of the Coynage arose from other Causes then Paper credit, then we must ascribe the increase to paper credit + the decrease not to Paper credit but to those other causes, & so the argument from the Course of the Coynage against Paper Credit will vanish. Now the Course of the Coynage answered to the vicissitudes of Peace and war abroad after this manner

The Silver Coynage in the latter half of Queen Elizabeths reign (after she had recoyned the base money of her Predecessors) & in the first five years of King James was Communibus annis about 70 or 80 thousand pounds per Annum. Then upon a Cessation of arms between the Dutch & Spaniards it fell suddenly to less then 40 thousand pounds per Annum. Afterwards upon renewing the warr & makeing a Peace between England and Spain 1629 it grew greater then ever and continued so till the end of the warr 1648 the Silver Coynage being about 440000^{li} per annum and that of both gold and silver together above 600000^{li} per Annum. Then upon

the conclusion of peace between Spain & Holland it fell again & became but the 8th or 10th part of what it was before and continued so for the next 18 year being scarce 70000^{li} per Annum <616v> till the Enacting of the Coynage Duty 1666 by which & the flourishing of trade in the Peacefull reigns of Charles II & James II & the quick dispatch of business by Paper Credit, Notwithstanding our disadvantageous trade with France it Encreased till it became about 680000^{li} per Annum. And then by the late war with France & the Consequent decay of Paper Credit and trade it decreased again Exceedingly. This agreement between the Encrease & decrease of the Coynage and the state of the Nation in respect of peace & war abroad shews that the Coynage has Principally depended on that state. And if Paper Credit hath had any Effect upon the Coynage it has promoted it because both increased together till 1690 and afterwards both decreased together by the late French warr

By the ordinary Course of trade the Coynage of Gold and Silver in the last 17 years of the reign of King James the 1st scarce Exceeded 40 or 50 thousand pounds per Annum. In the reign of King Charles the 1st it increased to an Exceeding great height not by the ordinary Course of trade but by our being in peace while our Neighbours were in war and supplied themselves with provisions from England for carrying on that war. After 1647 when that was ceased and trade returned to its ordinary Course the Coynage (without recconing the recoyning of the Harp and Cross money) became but about 68000^{li} per Annum one year with another till the rise and growth of paper Credit and the enacting of the Coynage duty 1667 and then in the space of 23 years more by the Encouragement of that Act and the Encrease of Trade occasioned by the quick dispatch of business by Paper Credit, the Coynage grew ten times greater then it was before And therefore M^r P. in his first Paper seems to have set the argument in a wrong light when he represented that the Coynage had decreased ever since the rise and growth of Paper Credit For he there Considers the Coynage of Silver alone and lessens it in the reign of King Cha. II & King Iac. II by taking a medium between that which preceded the French warr and that which was in the warr, whereas if he had considered the whole Coynage of both gold and silver and distinguished between times of Peace and warr, he would have found the argument from the Coynage to lye altogether in favour of paper Credit and of the Coynage duty Act as I represented in my former paper, the coynage by means of paper Credit & the Coynage Act growing ten times great then ever it was before < insertion from f 617r > by the ordinary course of trade, untill the late French warr put a stop to it < text from f 616v resumes >

But M^r P. (sect 18, 19) represents that if the Coynage Act had tended as much to the securing and keeping of our Coyn in the Nation as it did to Encourage Coynage the advantage I ascribe to that Act would have been without Contradiction but it is well known that the success has been otherwise, much of the Coyn having been melted down and Exported so that the little time of its circulation scarce made amends for the charge of Coynage & the Act it self encourageing the Coynage of Gold severall times over and the Merchant to Coyn in the dead months of Exportation what he intended to Export soon after so that there may have been a great Coynage without any Addition to our stock. To all which I answer that trade like a river wears its self channells from which afterwards it Cannot easily be diverted That the designe of the Coynage Act was to derive the Channel of Gold and Silver through the English Mint & that if it had had that Effect in a notable manner as appears by the large coynage, that this Act was not designed to prevent the Melting or Exporting <617r> of our moneys and therefore is not to be blamed for not preventing it & that the quantities of milled monies melted or Exported hath been nothing near so great as M^r. P. seems to represent

For as for Guineas there could not be above a third part of them weighty enough for the cutting trade and all Importers did not cull but many weighty Guineas of King Cha. & King James are still being notwithstanding their being lightned by wearing. In my former paper I recconed about $\frac{1}{8}$ th part culled out from melting. If I should say a fifth part yet the residue remaineing in the Nation in the year 1690 would be above five Millions. And so large a stock of Guineas is Confirmed by the plentiful appearance they made when they were at 30^s apiece. And that this culling trade may be no more objected against the Coynage Act, tis now ceased by the exact sizing of the monies.

The Milled silver monies of King Charles & King James is at present about an 8th. part of the whole Silver coyn (as I find by Examining severall parcells) and therefore in the time of the Recoynage of the hammered monies when thenew & old milled monies first mixed, amounted to about a Million. If in the six years preceding the recoynage there were about three Millions of silver monies Exported (for so I recconed in my

former Paper & I believe M^r P. will readily allow a much greater summ and if the better half of this was milled money, that being the weightiest, then there was above a million & an half of milled money exported in those six years & {thence} in the beginning of the year 1690 there was above two Millions and an half of milled silver monies in the nation which added to the five Millions of Gold makes above seaven millions and an half of Gold and Silver monies coyned in the first 23 years of the Coynage Act and remaining in the Nation till the year 1690 besides what was melted down and recoyned or Exported. And tho we should abate a million of this summ (which I see no reason to do) yet the remainder would be so great an Addition to our stock as abundantly makes good the argument from the Coynage in favour of the Coynage Act & Paper credit.

Yet M^r. P. (sect. 13) upon my observing that the Coynage of both gold and silver fell very much soon after the beginning of the late warr, represents it as a thing well known that we had coyned but little silver (excepting what came from the wreck) for some years before. And therefore to set right this matter and put it out of dispute that the coynage of silver was large as well as that of gold till the beginning of that war, I have subjoyned the Mint accompt of the silver Coynage for every four years from the Recoynage of the Harp and Cross money till the late Recoynage of the old hammered money.

There were coyned in the Tower in silver milled monies

| | li | s | d |
|---|----------|-----|----|
| From Mar. 31 1664 to Decem. 21 1667 | 196305. | 13. | 10 |
| From Dec. 31 1667 to Decem. 21 1671 | 425856. | 12. | 11 |
| From Dec. 31 1671 to Decem. 21 1675 | 625860. | 19. | 01 |
| From Dec. 31 1675 to Decem. 21 1679 | 1044235. | 09. | 01 |
| <617v> | | | |
| From Dec 21 1679 to Dec: 21 1683 | 549620. | 14. | 00 |
| From Dec 21 1683 to Dec 21 1687 | 458877. | 14. | 11 |
| { From Dec 21 1687 to Dec 21 1688 | 76230. | 14. | 01 |
| | 96572. | 19. | 01 |
| Total coyned in the 26 yeares before the French war | 3473561. | 17: | 00 |
| Coyned from Dec 21 1689 to Dec 21 1690 | 1994. | 11. | 10 |
| From Dec 21 1690 to Dec 21 1691 | 3730. | 13. | 10 |
| From Dec 21 1691 to Dec 21 1695 | 13658. | 11. | 07 |
| Total Coyned in the first six years of the war | 19383. | 17. | 03 |

By this Accompt it appears there was coyned in the 22 years of the Coynage Act from Dec 21 1667 when the Coynage Act began to operate, to Dec 21 1689, the summ of 3277256. 3. 2 which abating by Estimation about half a Million for the wreck (for I have now forgot how much the wreck was vallued at) is after the rate of 126000^{li} per Annum one year with another. And this Coynage notwithstanding the growing exportation of silver to the Indies held without any Considerable abatement till the beginning of the French war & there fell in one year to two or three thousand pounds per Annum which is less then the 20th part of what it was before. Or to speak more truly, the coynage which arose from over ballance of trade ceased that year. For the 3 or 4 thousand pounds per annum coyned afterwards were not imported by the Merchant but bought with the Coynage Duty by the Master of the Mint.

I have heard it represented that in China Gold is esteemed worth about 10 times its weight in Silver and that in a parcell of Gold of about 10 or 12 pound weight brought from China last summer the profit was about 60 per Cent. But if with M^r P. (sect 11) we say that the profit of Exporting silver to the Indies is but 25 per Cent more then that of Exporting Gold, tis a sufficient Encouragement to the Merchant to Export Silver rather then Gold {I} do not say that our coynage of gold has sensibly increased by the exportation of silver to purchase it, as M^r P. {()sect 11) seems to understand me. I know but of one parcel of Gold which has been brought hither from {illeg} But I say that there have been large exportations of silver of above 120000 per Annum which is more then double to what it had ever been by the ordinary Course of Trade before the growth of Paper Credit and Enacting of the Coynage duty. in the least seaven years of King James the I the silver Coynage amounted to 102981^{li}. 9^s. 8^d. which is after the rate of about 15000^{li} per Annum In the 19 years from the death of King Charles I to the end of the first year off the Coynage Act Dec 21 1667 it amounted to 922945^{li} besides the 100000^{li} for Dunkirk and this is after the rate of almost 50000^{li} per annum But in the next 22 years by the joynt operation of the Coynage Act and Paper Credit it amounted on year with another to above 170000^{li} per annum which great encrease shewes that the Mint Accompts which M^r P. in his first paper principally appeals to against paper Credit makes highly for that credit as well in the coynage of Silver as in that of Gold, notwithstanding that the Indies did sweep away the greatest part of our silver Bullion
