

Variant and apparently earlier
holograph draft of MINT00281
(/catalogue/record/MINT00281),
(Mint 19/2/78-9): the note 'writt
in 1701' has been added in
another hand, though it seems
likely this is a mistake.

Author: Isaac Newton

Source: MINT 19/2/74-5, National Archives, Kew, Richmond, Surrey, UK

<74r>

[1]

May it please your Lordship

According to your Lordships direction we have drawn up an account hereunto annexed of the weight assay & value of dives forreign coyns. And in another annexed paper we have compared the values set upon gold in several nations so far as at present we have been able to get intelligence. By which account it seems to us that gold is valued higher in England then in Holland & France by about 7^d or 8^d in a Guinea & that in Spain Italy & the north (so far as we can yet informe ourselves) it is valued much lower then in England after the rate as in France.

Were the melting down of forreign monies & bullion for exportation prohibited in private shops, & licensed only in the Mint it would give us opportunity of knowing more exactly & more generally the intrinsic values of forreign cons of several nations & the prizes of gold in the markets abroad from time to time & how trade goes with respect to gold & silver & it might also prevent the melting down of our money in private for exportation.

Exchangers reckon 1^{lib} sterling at a par with 444⁴/₉ Dutch styvers which reckoning is grownded on a supposition that a Patagon or Dutch Rixdollar which is 50 styvers equals in value a Rixdollar of the Empire or Ecu of France or spanish Piastre which is worth 4^s 6^d of our money whereas a Patagon is worth but 4^s 4^d ¹/₂. And tho we are told that a Patagon in this reckoning is Bank paper money which is 3, 4 or 5 per cent better then specie money, yet the putting a par between our specie money & their paper money seems improper &

may make the exchange more liable to tricking then if the Par were put between specie money & specie money, as it ought to be. For between specie money which is of a certain intrinsic value & paper money which is of no intrinsic value & of an uncertain extrinsic value there can be no par assigned.

Gold in the East Indies is at a much lower value then in Europe being in China & Japan but about 9 or 10 times of more value then its weight of silver whereas here it is above 15 times the value. Which is the reason why the Merchants carry silver to the East Indies & China & leave the gold at home, & that of late years as the trade of India has increased there has been much less silver coined in proportion to Gold then formerly. In the first twelve years after the Act for encouragement of coynage there was coined more silver then Gold viz^t 1669826^{li} 8^s 3^d in Gold & 1896338^l. 10^s. 8^d in silver In the next ten years there was coined above three times more gold then silver viz^t <74v> 4363776^{li}. 4. 10 in gold & 1337730^{li}. 5. 9 in silver. In the last 13 years there has bin coined out of foreign Bullion about 15 times more gold then silver monies. And this decrease of the coynage of silver in proportion to that of gold & the decrease also of silver money by melting it down for exportation while the gold stays with us tends to raise the value of silver monies by its scarceness in proportion to the gold. Which is a further argument for lowering the price of Guineas. For the more plentiful gold grows in respect of silver the more apt its price will be to fall.

Laws against exporting money may upon some extraordinary occasions do some good but usually do more hurt. Such Laws cannot hinder money from getting abroad where it is wanted to ballance trade: on the contrary they hinder Bullion from flowing freely into the Market of England & from the Market into the Mint for increasing the coyn. For the more Gold & Silver flows through the Market of England & the Mint the more will stick among us. The best way of preserving & encreasing the coyn is to take care of the ballance of trade & encourage the flowing of gold & silver through the Market & Mint of England.

Trade is ballanced by promoting the exporting of our own product & manufatur & checking luxury in foreign commodities especially from countries which must be paid in money. The old East India company was obliged to export yearly English manufactures to the value of 100000^{li}. Were the present company obliged to export English commodities not of a certain value yearly but of a certain value in proportion to the silver they export & care taken to make them do it: it would put them upon finding out new ways of vending our commodities for answer the price of Indian goods.

The prohibiting the exportation of money & licensing that of foreign Bullion raises the price of Bullion above that of money which is of very ill consequence. It would be much better on the contrary to prohibit the exportation of Bullion & licence that of money. For this would set the price of money above that of bullion as it ought to be, & increase the coyn bringing much silver through the Mint & by the new coyned money running amongst us till exportation & be of honour to the nation by the passing of our money into foreign countries. For our money being better standardised & better coined then pieces of eight would in time be of more credit abroad then pieces of 8 & make us appear more rich & potent then we for at present

And some of these effects would be had by licensing the Merchants to export so much money only as they coyn out of foreign Bullion they paying for the coynage upon shipping it for exportation

If any alteration were to be made in the standard we would propose to have the silver 11 ounces fine as the gold is & as both gold & silver are in France & Spain & the pound weight be cut into 61^s 6^d, that the value of the coyn may remain the same. For the silver would weare something better & in valuing our money in Foreign countries the old 2^{dwt} is apt to be neglected

And it may be considered whether it would not be of some advantage to us to coyn some pieces of the same value & name with Rix Dollers Ecus or Pistoles for the advantage of travellers who are sometimes abroad constrained to putt off our crowns at the same value with foreign crowns or Dollers for want for crowns or Dollers of the same value with those abroad

<75r>

Silver pence & two pences as so small as easily to be lost & {sewe} for little else then curiosities& for children to play with & if they be in use they quickly weare away. It may be considered therefore whether it

would not be better to coyn copper pence in their stead. And to make the three pences groats & so six pences a little narrower & thicket that they may wear longer

[2]

[1] writt in 1701.

[2]

1666 12

1688 13

1701
