Holograph drafts of MINT00336 (/catalogue/record/MINT00336) (Mint 19/2/124-5).

Author: Isaac Newton

Source: MINT 19/2/122-3, 127-8, 129-30, National Archives, Kew, Richmond, Surrey, UK

<122r>

Obs. 1. Before the lowering of the Guineas an ounce of standard Gold was worth about 3.$^{£}$ 19.^{s} 11^{d} at the Mint price. By the taking 6^{d} from the Guinea there 1^{s} 10$^{d}\frac{1}{4}$ taken from the ounce, & thereby an ounce of standard Gold became worth only 3$^{£}$. 18^{s}. 0$^{d}\frac{3}{4}$ for coinage. But for exportation it kept its former value of 3$^{£}$ 19^{d} 11^{d}. And by the fall of the Exchange in Febr following from about 34 3 to about 33. 11 with Amsterdam, it rose to 4$^{£}$ 0.^{s} 6 per ounce & continued at that rate till after the middle of March. And afterwards by the rising of the exchange to about 34. 9 or 10 Gold fell to 3$^{£}$ 18^{s} 6^{d} about the middle of April. And in the end of April & beginning of May by the falling of the exchange to 34 6 Gold rose to 3$^{£}$. 19.^{s} 0^{d} & 3$^{£}$ 19^{s} 6^{d}: And since that time while the exchange has continued at about 34: 8, 9, 0r 10 Gold has fallen by begrees to 3$^{£}$ 8^{s} 3^{d} & now begins to come to the Mint continued at the rate of about 3. 19 6^{d}. But since the end of August has begun to fall more then the course of exchange requires & now begins to come to the Mint. And this has happened by means of a good quantity of gold coming from Brasile in the end of August, this gold being more then the Merchant wanted at present to pay his debts abroad. Now this demand of Gold for exportation has carried abroad almost all the Gold imported since Christmas last & so has had the same effect for preserving our silver as the Act of Parliament would have had for which the house was moved the last winter for stopping the coinage of Gold for some time that the Gold imported might go abroad to pay debts.

Obs: 2. Standard silver is worth 5^{s} 2^{d} per ounce for coinage, but was all last winter (as well before as after the taking six pence from the Guinea) at 5^{s} 7^{d} or 5^{s} 8^{d} per ounce for exportation, & sometimes above. In March last it was at 5^{s} 7^{d} & 5^{s} 7$^{d}\frac{1}{2}$ & in April it fell to 5^{s} 5$^{d}\frac{1}{2}$ & 5^{s} 5^{d} & has continued at that rate ever since. So that the demand of Silver for exportation has all this year been three times greater then the demand of Gold for exportation, & sometimes four or five times greater or above. And therefore the Gold would not have gone abroad had it not been for the want of Silver.

Obs. 3. If no Gold had gone abroad for answering debts the demand of silver for exportation would have been greater then it is. And of the demand of Gold for exportation has carried away any of our gold moneys the demand of silver for exportation being three times greater must have carried away more of our silver moneys & would have carried away still more had not the Gold been lowered.

<123v>

Obs. 1. The coinage of Gold has of late years been greater or less accordingly as the course of Exchange has been higher or lower In the years 1714 & 1715 when the coinage was greatest th course of Exchange with Amsterdam was from 36 to 37 Skillings. In the year 1716 3 the coinage abated2 & 1 the course of exchange was from 35 & 36. In the year 1717 the course of Exchange was from 34 to 35.2 & the coinage abated to one

half of what it had been two or three years before. And in this present year the Exchange has been between 34.10 & 33.10, & this low course of Exchange joyned with the lowering the value of Gold for coinage by the taking 6^{d} from the Guinea has carried out almost all the gold imported, And thereby has had the same effect for paying out debts abroad in gold & preserving our silver, which the Bill proposed the last Sessions of Parliament for stopping the coinage of Gold, would have had, if it had passed into an Act [For the Gold has been exported for paying of such debts abroad, as would have been continued till they could have been paid with more advantage in Silver had not the coinage of gold been discouraged by taking six pence from the Guinea .2 In November last & again in Febr. last the course of Exchange was at the lowest, being then at 33. 10: [And ever since Febr. by the exportation of gold to pay debts it has been mending & is now got up to 35 & at the same time the demand of Gold for exportation has been abating & is now become so small that Gold begins to come to the Mint again.] And while the course of Exchange was as low in November last before the six pence was taken from the Guinea as it was afterwards in Febr. last: the lowness of the cource of Exchange last winter is to be attributed not to the taking six pence from the Guinea but to the debts which we had abroad before the six pence was taken off [& the mending of the course of Exchange ever since Ferb. (which is an advantage to the nation) must be attributed to the payment of a competent part of those debts by the gold which has been sent abroad] Whence these debts arose requires more skill in Trade then I can pretend to But considering that a good part of the Gold imported in the years 1713 1714 1715 was in French money & Ducats I suspect that after the war with France was at an end, great quantities of gold were sent hother from abroad to buy stocks till the interest of the stocks was lowered & since that discouragement some forreigners have been drawing their money back.

Obs. 3. Standard Gold before the sixpence was taken from the Guinea was worth at the Mint about $3^{£}\ 19^{s}\ 11^{d}$ per ounce & by the lowness of the Exchange some Gold imported began then to go aborad & therefore was then valued at something more then $3^{£}\ 19^{s}\ 11^{d}$. In February last when the Exchange was at the lowest, the price of Gold for exportation rose to $4^{£}.\ 0^{s}.\ 6^{d}$ per ounce standard. And now the Exchange is risen to 35. Gold is fallen to the mint price which by the taking 6^{d} from the Guinea is reduced to $3^{£}.\ 18.^{s}\ 0\frac{3}{4}$ per ounce standard. And therefore in the years 1713, 1714, 1715, & 1716 & part of the year 1617 in which the course of Exchange was above 35, & above five million were coined in gold, the Publick allowed six pence in the guinea more then was sufficient to have <123r> brought that gold to the Mint, & thereby lost about an hundred & twenty thousand pounds. And for the future the taking six pence from the Guinea will save that six pence to the public in all the gold that shall be coined.

5. The demand for exportation hath ever since the taking six pence from the Guinea, raised the price of silver about three times more then the price of Gold: & sometimes four or five times more or above. And therefore the temptation to expo{rem}rt Gold moneys has all this year been three times less then the temptation to export silver moneys, & if this temptation has not sensibly diminished our silver moneys specie has much less carried away our gold moneys in specie. & all or almost all the gold which has been exported this year has been in forreign Bullion the nation therefor has lost little or nothing by the exportation because the Bullion being forreign went out at the same price that it came in.

6 And since the demand of silver for exportation has all this year been three times greater then that of gold, no gold would have been exported had it not been for the want of silver bullion; & the exportation thereof has prevented the exportation of the same value of silver for paying of debts abroad as fast as it could be produced.

7 And this exportation has been a further advantage to the nation by raising the course of Exchange from 33. 10 to 35. For when the Exchange is low the nation loses by it so much as it is under the par. And had the debts abroad which have been paid in Gold continued till they could have been paid in silver, they would have cause the Exchange to continue low.

4.4. by the payment of our debts abroad in gould, the demand for exportation has abated ever since Feb last & the exchange has risen gradually to 35 & Gold has fallen down to the Mint price & now to come to the Mint again. And hence I gather that when ever the Exchange with Amsterdam is above 35 it will bring Gold to the Mint, & therefore in the years 1713, 1714, 1715, 1716, & part of 1717 when the Exchange was above $35\frac{1}{4}$ & for the most part at 36 or 37 the public paid more for gold then would have brought it the Mint by above 6^{d}

per Guinea & thereby lost [6^d p^r Guinea or above in all the gold coined in those years which was more then five millions of Guineas. And by the taking sixpence from the Guinea will save that loss in all the Gold which shall be coined for the future.

3.3. The course of Exchange was as low in November last before the 6^d was taken from the Guinea, as it was afterwards in Febr. last & both times was at the lowest being with Amsterdam at 33. 10 & therefore the lowness of the Exchange last winter arose not from the taking six pence from the Guinea but from the debts which we had abroad before the six pence was taken from it Which debt if the coinages of Gold had not been discouraged by taking sixpence from the Guinea, might have remained till they could have been paid with more advatage in silver.

8 And Now to restore the six pence to the guinea would be to lose these advantages & to give more for all the Gold which Shall be coined hereafter by above six pence in the Guinea then it is worth in forreign Markets & to revive the corrupt trade of exporting silver to buy gold abroad, & importing gold to buy silver at home.

<122v>

1. Standard Gold before six pence was taken from the Guinea was worth $3^{£}$. 19^s. 11^d per ounce at the Mint & by taking 6^d from the Guinea became worth $3^{£}$. 18. $0\frac{3}{4}$ per ounce. And standard silver is there worth $5.^s$ 2^d per ounce. But the demand for exportation hath raised both species above the price at the Mint, & thereby has carried out all the forreign silver for many years & began to carry out some of the forreign Gold the last November, & therefore began to raise the price for exportation above the Mint price before the sixpence was taken from the Guinea but never raised the price of forreign gold to more then $4^{£}$. 0. 7^d. And therefore the taking 6^d from the Guinea has made little or no alteration in the price of forreign Gold for exportation, & the price of forreign silver for exportation has been much the same this year as it used to be in former years.

2. The price of forreign gold for exportation answers to the course of exchange. When the Exchange is lowest the price of forreign Gold is highest & on the contrary. And thence the coinag**{e}** of Gold has of late years been greater or less accordingly as the course of Exchange has been higher or lower. In the years 1714 & 1715 the exchange was highest, it being with Amsterdam from 36 to 37 Skillings, & then the coinage was greatest. In the year 1716 the Exchange was only from 35 to 36 & the coinage abated accordingly. In the year 1717 the Exchange was only from 34 to 35.2 & the coinage abated to one half of what it had been two or three years before. And in this present year the Echange has been only from 33. 10 to 34. 10. And this low course of Exchange together with the taking 6^d per Guinea from the Mint price of Gold has carried out almost all the gold imported. And thereby has had the same good effect for paying our debts abroad in Gold & preserving our silver, which the BIll proposed the last Sessions of Parliamant for stopping the coinage of Gold would have had if it had then passed into an Act. Whence these arose is difficult to understand without more skill in trade then I can pretend to. But considering that a good part of the Gold imported in the years 1713, 1714, & 1715 & 1716 was in French money & Ducats, I suspect that after the war with France was at an end great quantities of Gold were sent hither to pay for stocks till the interest of the stocks was lowered by Act of Parliament; & since that discouragement, some forreigners have been drawing their money back.

The way for England to thrive is to keep her moneys to the value put upon Gold & silver abroad & to take care that her exports exceed her imports.

And therefore in all the gold coined in those years, which was above five millions, the nation would have saved 6^d p^r Guinea had the 6^d been taken off before

<127r>

Observations upon the state of the Coins of Gold & Silver. {writt} in the year. 1718.

Obs. 1. Standerd Gold before six pence was taken from the Guinea was worth $2^{£}$. $19.^{5}$ $9^{d}\frac{1}{4}$ per ounce at the Mint & by the taking sixpence from the Guinea became worth $3^{£}$. 17^{s}. 11^{d} per ounce. And standard silver is there worth 5^{s} 2^{d} per ounce. But the demand for exportation hath raised both species above the price at the Mint & thereby hath carried out all the forreign silver for many years & began to carry out some of the forreign Gold the last November, & therefore raised the price of Gold for exportation above the Mint price before the sixpence was taken from the Guinea. But it never raised it to more then $4^{£}$. o^{s}. 6^{d} per ounce: And therefore the taking 6^{d} from the Guinea has made little or no alteration in the price of forreign Gold for exportation. And the price of forreign silver for exportation has been much the same this year as it used to be in former years with respect to the course of exchange.

Obs. 2. The price of forreign Gold for exportation answers to the course of Exchange. When the Exchange is lowest the price of forreign Gold is highest, & on the contrary. And thence the coinage of Gold has of late years been greater or less accordingly as the course of Exchange has been higher or lower. In the years 1714 & 1715 the Exchange was highest, it being with Amsterdam from 36 to 37 skillings, & then the coinage was greatest. In the year 1716 the Exchange was only from 35 to 36, & the coinage abated accordingly. In the year 1717 the exchange was only from 34 to 35.2, & the Coinage abated to one half of what it had been two or three years before. And in this present yeare the Exchange has been only from 33. 10 to 34. 10. And this low course of Exchange together with the taking six pence from the Guinea has carried out almost all the Gold imported, & thereby has had the same good effect for paying our debts abroad in gold & preserving our silver, which the Bill proposed the last Sessions of Parliament would have had if it had then passed into an Act for stopping the coinage of Gold. Whence those debts arose is difficult to understand without more skill in trade then I can pretend to. But considering that a good part of the Gold imported in the years 1713, 1714, 1715 & 1716 was in French money & Ducats, I suSpect that after the was with France was at an end great quantities of gold were sent hither to pay for stocks untill the interest of stocks was lowered by Act of Parliament: & since that discouragement, some forreigners have been drawing their moneys back.

Obs. 3. The course of Exchange was as low in November last before the 6^{d} was taken from the Guinea, as it was afterwards in February last; & both times was at the lowest, being (with Amsterdam) at 33. 10. And therefore the lowness of the Exchange last winter arose not from the taking sixpence from the Guinea but from the debts which we had abroad before the six pence was taken off. Which debts, if the coinage of Gold had <128r> not been discouraged by taking six pence from the Guinea, might have remained till they could have been paid with more advantage in silver.

Obs. 4. By the payment of o^{er} debts abroad in gold the demand for exportation has abated ever since February last, & the exchange has risen gradually to 35 skillings, & Gold has been falling down to the Mint price, & now begings to come to the Mint again. And hence I gather that whenever the Exchange with Amsterdam is above 35 skillings, it will bring gold to the Mint, & would have brought gold to the Mint in the years 1713, 1714, 1715, 1716 & part of 1717 although the six pence had been taken off before, & thereby have saved six pence per Guinea in all the gold coined in those years which was above five millions, the Exchange in all those years being above 35 skil. & for the most part above 36.

Obs. 5. The demand for exportation hath ever since the taking 6^{d} from the Guinea, raised the price of silver about three times more or above. And therefore the temptation to export gold moneys hath all this year been three times less then the temptation to export silver moneys; and if this temptation has not sensibly diminished the quantity of our silver moneys it has much less carried away our gold moneys. And therefore all or almost all th egold which has been exported this year has been in forreign bullion. And by consequence the nation has lost little or nothing by the exportation because the bullion being forreign went out at the same price that it came in, but has saved the interest of the debts paid off.

Obs. 6. Since the demand of silver for exportation hath all this year been three times greater then that of gold, no gold would have been exported had it not been for the want of silver bullion: & the exportation thereof has prevented the exportation of the same value of silver as fast as it could have been procured for paying debts abroad.

Obs. 7. And this exportation has been a further advantage to the nation by raising the course of Exchange from 33.10 to 35. For when the exchange is low the nation loses by it so much as it is under the par. And if the debts abroad which have been paid in Gold had continued till they could have been paid in silver, they would have caused the Exchange to continue low.

Obs. 8. And now to restore the six pence to the Guinea would be to lose these advantages, & to give more for all the Gold which shall be coined hereafter, by above nine pence in the Guinea, then it is worth in forreign Markets; & to revive the corrupt trade of exporting silver to buy gold abroad & importing Gold to buy silver at home.

The way for England to thrive by her Trade is to keep her moneys to the value put upon gold & silver in forreign markets & to take all possible care that her exports exceed her imports especially in perishable commodities, & for that end to encourage her manufactures & discourage luxury.

<129r>

Observations upon the state of the Coins of Gold & Silver.

Obs. 1. Standard Gold before sixpence was taken from the Guinea was worth $3^{£}$. $19.^{s}$ $9\frac{1}{4}^{d}$ per ounce at the Mint, & by taking sixpence from the Guinea became worth $3^{£}$ 17^{s}. 11^{d} per ounce. And standard silver is there worth 5^{s} 2^{d} per ounce. But the demand for exportation hath raised both species above the price at the Mint, & thereby hath carried out all the forreign gold the last November, & therefore raised the price of Gold for exportation above the Mint-price before the sixpence was taken from the Guinea. But it never raise to more then $4^{£}$. $0.^{s}$ 6^{d} per ounce. nor kept it long at that price. For in March last forreign gold fell down below the old Mint-price & hath ever since continued below it, being at $3.^{£}$ $19.^{s}$ 6^{d}, & sometimes at 3. 19. 0 & under. And therefore the price of forreign gold for exportation was raised the last winter by some other cause then the taking sixpence from the Guinea. And the price of Gold for exportation to forreign markets having been ever since March below the old Mind-price, that price was certainly too high.

Obs. 2. The price of forreign Gold for exportation answers to the course of Exchange. WHen the Exchange is lowest the price of forreign Gold is highest, & on the contrary. And thence the coinage of Gold hath of late years been greater or less accordingly as the course of Exchange hath been higher or lower. In the years 1714 and 1715 the Exchange was highest, it being (for instance) with Amsterdam from 36 to 37 Skillings; & then the coinage was greatest. In the year 1716 the Exchange was only from 35 to 36 skillings with Amsterdam & proportionally with other places., & the coinage abated accordingly. In the year 1717 the Exchange with Amsterdam was only from 34 to 35.2, & the Coinage abated to one half of what it had been two or three years before. And in this present year the Exchange has been only from 33 10 to 34. 10 till within this fortnight: : & this low course of Exchange together with the taking six pence from the Guinea, hath carried out almost all the Gold imported, & thereby hath had the same good effect for paying our debts abroad in gold & preserving our Silver, which the Bill proposed the last Sessions of Parliament would have had it if had then passed into an Act for stopping the coinage of Gold. Whence those debts arose is difficult to understand without more skill in trade then I can pretend to. But considering that a good part of the gold imported in the years 1713, 1714, 1715 & 1716 was in French money & Ducats, I suspect that after the war with France was at an end great quantities of gold were sent hither to pay for stocks untill the interest of stocks was lowered by Act of Parliament: & since that discouragement some forreigners have been drawing their moneys back with the interest, & some gold has been sent to the Mints in France.

Obs. 3. The course of Exchange was as low in November last before the 6^{d} was taken from the Guinea, as it was afterwards in February last; & both times was at the lowest, being (with Amsterdam) at 33. 10. And therefore the lowness of the Exchange last winter arose, not from the taking six pence from the Guinea, but from the debts which we had abroad before the six-pence was taken off. Which debts, if the coinage of Gold had not been discouraged by taking 6^{d} from the Guinea, might have remained unpaid till they could have been paid with more advantage in silver.

Obs. 4. By the payment of our debts abroad in Gold the demand for exportation hath abated ever since February last, & the exchange hath risen gradually to 35 skillings, & Gold hath been falling down to the Mint-price, & now begins to come to the Mint again. so that within a fortnight so much gold hath come to the Mint as will make above $75000^{\pounds}$. And hence I <130r> gather that whenever the Exchange with Amsterdam is above 35 skillings it will bring gold to the Mint, & would have brought gold to the Mint in the years 1713, 1714, 1715, 1716 & part of 1717 although the 6^{d} had been taken off before, the Exchange in all those years being above 35 skillings & for the most part above 36. And therefore in all the gold then coined, which was above five millions, the nation would have saved 6^{d} per Guinea had the six pence been taken off before.

Obs. 5. THe demand for exportation hath ever since the taking six pence from the Guinea, raised the price of silver about three times more then the price of Gold, & sometimes four or five times more or above. And therefore the temptation to export gold moneyS hath all this year been three times less then the temptation to export silver moneys. And if this temptation has not sensibly diminished the quantity of o^{er} silver moneys this year it has much less carried away our gold moneys. And therefore all or almost all the gold which has been exported this year, has been in forreign bullion. And by consequence the nation has lost little or nothing by the exportation, because the bullion being forreign went out at the same price that it came in ; at. Foreigners or their Agents who here receive Guineas in payments will lose above 3^{d} per Guinea by exporting them; besides the danger they run by breaking the law.

Obs. 6. Since the demand of silver for exportation hath all this year been three times greater then that of gold, no gold would have been exported this year had it not been for the want of forreign silver: & the exportation thereof hath prevented the exportation of the same value of forreign silver as fast as it could have been procured for paying debts abroad, & in the mean time hath saved the interest of the debts paid off.

Obs. 7. And this exportation hath been a further advantage to the nation by raising the course of exchange from 33. 10 to 35. For when the exchange is low the nation loseth by it so much as it is under the par. And if the debts aborad which have beem paid in gold had continued till they could have been paid in silver, they would have caused the Exchange to continue low.

Obs. 8. And to restore the six pence to the Guinea would be to lose these advantages, & to give more by above nine pence in the Guinea for all the gold which shall be imported hereafter, then it is worth in forreign markets; & to revive the corrupt Trade of exporting silver to buy gold abroad & importing Gold to buy silver at home.

[Editorial Note 1] Only the first words of each line struck through.