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**JOTTINGS ON MONEY.**



JOTTINGS ON MONEY;  
 OR  
 A FEW REMARKS ON  
 CURRENCY, COINAGE,  
 AND A  
 NEW DECIMAL SYSTEM,  
 WITH THE  
 THEORY OF ANNULAR COINAGE.

BY  
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"Interest is the greatest monarch on earth."—*Montesquieu.*



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## CONTENTS.

	PAGE
Preface - - - - -	vii.
Jottings on Money - - - - -	3
On Intrinsic and Arbitrary Value - - - - -	5
Arbitrary Gold on the Continent - - - - -	10
Australian Gold - - - - -	14
Interest of Money - - - - -	14
Value of Gold - - - - -	18
Value of Gold in Holland - - - - -	19
Distribution of Gold - - - - -	20
Gold and Silver Weights - - - - -	25
Charlemagne - - - - -	26
The Influx of Gold - - - - -	27
Bank Notes - - - - -	32
Changes in the Coin - - - - -	35
Jews, Gold, and Exchanges - - - - -	39
Effect of Arbitrary Exchanges, etc., in prices - - - - -	43
War Exchanges--Money - - - - -	50
Effect of the Arbitrary Price of Gold on Wages - - - - -	61
The West Indies- - - - -	65
Outline of a new Decimal System- - - - -	71
Supply of Gold—Proposed Universal Currency - - - - -	78
Par of Exchange with Foreign Countries - - - - -	87
Theory of Annular Coinage - - - - -	91
Conditions of forming Mints in Australia - - - - -	92
Mint in the United States - - - - -	98

### TABLES.

Comparative Cost of Producing Sugar - - - - -	102
Silver Coin - - - - -	103
Gold Coin - - - - -	104
A Tariff of English Sterling Florins and Cents - - - - -	105



## PREFATORY NOTE.

THE observations and remarks contained in the following desultory chapters, are from the pen of an old and experienced merchant, and are the result of his recollections of the last war. The effects of the troubles of that eventful time upon money, men, and morals are partially discussed; and the practical and likely results upon our present and future prospects are touched 'off in jottings, which, it is hoped, may be useful to many who cannot either spare the time to separate theory from practice, or even to combine them. The struggles which a scarcity of gold, and its arbitrary value, have brought upon us, are glanced at; and the disasters caused by a sudden return to cash payments upon our commercial and trading community are pointed out.

A special feature has been made of the principle of a Decimal Coinage, the adoption of which is now being so generally considered, with a view to the proposal of a new decimal system of Annular or Ring Money.

In conclusion, a word of warning from a practical man:—Theory, interpreted by the pens of MM. Leon Faucher and Chevalier, states—“That



the influx of the precious metals has been, in a certain sense, providential, especially during the revolutions of Europe;" and, "that war may anticipate a larger quantity of gold than can find a market, and that, therefore, we may look for a fall." Practice, speaking in the following pages, exclaims— "Do not demonetise gold, regard the lessons of the past, and keep your money for a rainy day."

T. W.

*London, May, 1853.*

P.S. Some of the following chapters have already appeared as letters in the *Economist* and *Morning Advertiser*.

# JOTTINGS ON MONEY;

ETC.



THE Revolution of 1688 gave England the banks, and her present monetary system: before that time we heard but little of subsidies to the sovereigns of Europe to assist her in fighting her battles. It was, however, at this time that Exchequer bills were invented to anticipate funds to be raised for war purposes. William III. complained of the loss he had to suffer by the sale of them. It was at this time, also, that the adverse exchanges began to augment the amount of English money on the continent of Europe. The Duke of Marlborough complains in his letters, defending himself against the attacks of his persecutors, that he was often put to great difficulty for want of coin, and that his treasury bills were only negotiated at 10 to 11 florins, thus admitting a loss by the exchange of 10 to 20 per cent.

It is a principle laid down, and watched with earnestness and anxiety by merchants, whether

the exports on the whole are above the wants of the countries to which they are sent; and then it is their business to look out and examine if the particular article that they may export is not sent above the wants of the country to which it is consigned, and to know the individuals who export the same article, and to consider if their opponent exports with his own means, and whether his exports are upon the sure principle of supply and demand. A merchant must examine also if any one can deliver the article he exports cheaper than himself: a few shipments to such markets will open his eyes to the true profit or loss of himself or his competitor.

Now, here are two merchants or two hundred, furnishing five markets with two millions yearly; it is plain that these merchants require to send home two millions in bills or merchandise. Things are in this state when war takes place, or extraordinary speculators enter the market.

Merchant A has never been a shipper of sugar or coffee in return, but he has always bought bills of B, who purchases largely in sugar and coffee for his friends in England. Now the speculator C offers his bills, through his broker, to A, at a lower price than B gave for them. A takes bills of C at 5 per cent. discount. The transactions are repeated until an advance exchange is established. A sells his goods 5 per cent. cheaper, and B debits his correspondent 5 per cent. more for his sugar, coffee, etc.

At this time comes into the market a large amount of Exchequer bills, drawn upon a government; every one takes these bills, as there is some risk in taking private bills, the Exchequer bills taking the place of legitimate trade bills, and most money being employed in their purchase. The other bills are offered lower, at 20 to 50 per cent. discount. Produce rises in proportion as bills have fallen in price, and imports fall in price in the same ratio; the precious metals are acted upon in their turn, hence the struggle of currency and English paper in foreign countries.

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### ON INTRINSIC AND ARBITRARY VALUE.

THE intrinsic value of a coin is the exact value of the precious metal which that coin may contain in a pure state, and which will pass for a market value in exchange for food or clothing. All coins will, of course, pass for their *intrinsic* value in all civilised countries. If the precious metals rise in price, the intrinsic value rises also, in which case it is termed reaching a Premium, or profit on the coins. On the contrary, if the precious metals fall in value, coins are sold at a loss, which is called a Discount. Now, when and while the precious metals are varying in price, we should ask the *arbitrary* value, for the price or worth has been

arbitrated and fixed upon between the buyer and the seller, for it is obvious that neither would buy or sell if it were not their interest so to do. In this manner, then, we give coins and precious metals an *Intrinsic* and an *Arbitrary* or political value.

The English coins, after the bank refused to pay cash for their notes in 1793, obtained an arbitrary value of from 5 to 25 per cent. in England, while on the continent, English gold fetched a small profit or *agio* above its intrinsic value; because, being already on the continent, it formed part of the stock of gold there, as intrinsic value, which was free to be bought and sold; but when brought over to England again, it entered into circulation as a guinea, and could only pass for twenty-one shillings—so much, then, for intrinsic value.

Thus gold acquired an arbitrary value in England. By being taken to the continent, you could change a guinea (twenty-one shillings) for twelve florins and twelve pence; and when wheat was forty-two shillings, you could buy a quarter for two guineas, or twice twelve florins and twelve pence. Now, suppose you went to market and bought your wheat for twice twelve florins and twelve pence, or forty-two shillings per quarter, to the amount of one hundred guineas, or £105, or 1260 florins, when this bill was sold at the lowered exchange of nine florins, the hundred guineas in a bill, would only obtain £78 15s. worth (or 945 florins) of

grain, while one hundred guineas would, of course, buy £105. Therefore, by buying with bills there was a loss of twenty-five per cent., which is buying at an arbitrary instead of an intrinsic value.

Gold coin was not exported because the price of it was higher on the continent, but because, as we have shewn, gold would buy twenty-five per cent. more corn, or any other article, than paper under an adverse exchange.

It has been observed by no less a man than Cicero (in *Orat. pro Flacco*)\*, that although the world is thousands of ages old, and has been peopled by various nations and races, of whom several are still celebrated for their progress in trade and commerce, yet little or no mention is made concerning the intrinsic values of gold. There are, however, some scattered facts on this very important and difficult subject which it would be well to consider, though it is not easy to arrange them like a chain of connected links.

\* It shows that the Romans had contradictory laws about exporting gold. He says, "The next thing is, that of the charge about the Jewish gold, and this, forsooth, is the reason why this cause is pleaded near the steps of *Aurelius*. As gold, under pretence of being given to the Jews, was accustomed every year to be exported out of Italy, and all the provinces, Flaccus issued an edict establishing a law that it should not be lawful for gold to be exported out of Asia. And who is there, O Judges, who cannot honestly praise this measure? The Senate had often decided; and when I Cicero was consul it came to a most solemn resolution, that gold ought not to be exported."

We believe, so long as there have been borrowers and lenders, there has been an arbitrary value used; even in Holy Writ it is mentioned that Solomon borrowed of the king of Tyre 120 talents of gold, of about the value of £720,000 to finish the temple. Solomon assigned to king Hiram 20 towns, which he did not consider of sufficient value, therefore he refused the loan. This is an illustration of arbitrary value.

Solomon took back the towns, and it is supposed that he gave an equivalent, as it did not interrupt the good understanding between the two kings. It is also supposed that Solomon, from his connexion with King Hiram, observed the source or cause of the extraordinary prosperity enjoyed by the Tyrians. This, coupled with his want of means to execute the magnificent plans which he had formed, induced him to turn his attention to foreign commerce, as a source of wealth and grandeur. The ships furnished to Solomon were manned by Phœnicians, and sailed in company with the fleet belonging to the king of Tyre. This voyage embraced the southern shore of Arabia, the eastern shores of Africa, and possibly the island of Ceylon, if not some parts of the Indian peninsula. The fleet returned after three years' absence, laden with the rich and curious treasures of the South and the remote East.

Without doubt, a large portion of the commo-

dities they obtained were sold *at large* profits;\* and this explains the fact, that while in one place the yearly value of gold brought to the king by his ships is stated at 480 talents,† in another the yearly profit of gold, derived directly and indirectly from these voyages, is stated at the weight of 666 talents, which, at the lowest computation, would amount to £3,646,350 sterling.

It showed great wisdom in Solomon, in entering into trade to pay the Tyrians for the loan in *intrinsic* value; in our days, they would have been compelled to have accepted the *arbitrary* value of the towns. Yet we have to acknowledge that modern policy has engrafted into the affairs of state the system, that an agreement once entered into, however dishonourable, is to be adhered to; but sometimes, we are sorry to say, a portion of the public press is deceived into supporting an immoral system.

It should be particularly remarked, that gold from the mines of America, transported into Europe, and from thence into the East, has been proved to be favourable to navigation.‡ It is a merchandise which Europe received in exchange

\* Silver was to gold as 16 to 1. — *Kitto's Palestine*, 522.

† A talent is worth £5,475, at £4 per ounce.—*Kitto*, 524. For better satisfaction, see the scientific deduction of Jewish money to the English standard, by Dr. Arbuthnot, *Tables of Ancient Coins*, tab. 28, and chap. v., p. 36—42.

‡ Montesquieu.



from America, and which she sent again in exchange to India. Europe had no merchandise to export. A greater or less quantity of gold or silver is favourable, when it is regarded as merchandise; but it is the reverse when regarded as a sign of value, because abundance must ever prove a shock to the quality of a sign.

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### ARBITRARY GOLD ON THE CONTINENT.

IF any one will examine the accounts which have been given us as to the price of gold on the Continent of Europe and in England, he will find many instructive lessons. In the Committees of 1797, 1810, and 1819, there is no one who admits the premium upon gold above 5 to 6 per cent.; however, the value between gold and bills was 30 per cent., as we have shown elsewhere. We can give the working of gold at Hamburgh in 1806, after the battle of Jena, from personal observation, and from report of several English agents. The General of the French, Davoust, laid the town under contribution of 50,000 equipments for the French army, which was to the amount of £10,000, of blue woollens\* for clothing the army. These were only to be met with at Heligoland. The goods were delivered, and a passport was granted for

\* Indigo could not be obtained during the War, since then the French use red pantaloons dyed with their own madder.

two persons to go to Hamburg, to receive the amounts. When the French inspector had accepted the goods, it required General Davoust to see the amount paid out of the funds seized at the bank. He gave an order, and the amount was paid in English guineas, which was stoutly refused, as the amount was to be paid into the hands of the American bankers, David Parish and Co., in Hamburg currency. General Davoust was very indignant that the English refused to take their own coin. The affair rested in suspense for a few days. In the mean while, an Indian shawl and a prospect of future profit terminated the transaction, with a permission to be allowed to purchase bills upon England at an exchange rendering about 13s. per pound sterling. The profits of English manufacturers were immense—100 per cent., the risk trifling, since the depôt was at Heligoland, and no orders for goods were sent without a secure pass into the interior.

It required a Saxon head, and more, an Anglo-Saxon constitution, to support the excitement for so many years—to carry on the working of this principle of selling exports from England: and it has always surprised us that not one who exported manufactures was examined in the Parliamentary Committees of 1797, 1810, or 1819: yet they were the only practical men who could trace out the adverse exchanges to their source. Those bankers and merchants who were examined lived at home.

Had one of the dozen men who were at Heligoland been examined, he would have explained, that when the exchange upon Heligoland, Amsterdam, or Hamburg was at 10 florins, or 16*s.* 8*d.* in London, bills might have been bought on the Continent by millions, at 9 to 7 florins; that is, at 15*s.* to 11*s.* 8*d.* Even at the time of the "hundred days," 1815, the exchange was 19 francs in London. We know of bills being purchased at 15 francs in France and Belgium. Mr. Leon Faucher says, "Bullion varied in price, in 1815, between England and the Continent, 10 per cent., when practice here makes a difference of 30 per cent. We sold 20-franc pieces at Dover, at 20*s.*—so much did the English government pay for gold on the spur of that moment." \*

Perhaps there never was, in the whole history of any country, a difference of value so extraordinary, for which England was paying £25 16*s.* 8*d.* premium for gold, which she sent to Spain in 1812, whilst English gold was selling in Holland at the mint price of £4 1*s.*

This effect of subsidies upon exchanges must be obvious. In the case of a continental war, as we

* 1809 . . . .	£14	7	7
1810 . . . .	8	7	8
1811 . . . .	20	2	7
1812 . . . .	25	16	8
1813 . . . .	29	4	1
1814 . . . .	14	7	7

—Porter, p. 416.

cannot fight the whole world, we must in the smaller part pay others to fight our battles for us, or at any rate not to fight against us. At all events, and in all cases, we must send all our required subsidies in gold, or the exchange will forthwith fall twenty-five per cent; and if the exchange so falls we shall want gold to pay for corn, and almost all other imports, and then America will have the opportunity of filling the war-ridden continent with produce, in exchange for our depreciated commercial paper, which opportunity, all those who are acquainted with her extraordinary spirit of enterprise, cannot for a moment doubt that she would take speedy advantage of—as she did, when she was much less prepared so to do, during the last war from 1804 to 1812. The French manufacturers complained that the Americans sold their produce for cash, which they remitted at Hamburgh and Amsterdam, to buy depreciated English commercial paper, viz., our £100 Exchequer bills for £75 in cash. It is, however, too elaborate a subject to enter into more fully in a brief and desultory treatise like the present, but it is of the greatest importance to our national welfare, and demands the utmost consideration, so that no false step should be taken in the coin of this country to the injury of our internal circulation, and to our certain loss in our dealings with foreign countries.

### AUSTRALIAN GOLD.

Should the quantity of gold imported into this country from Australia, continue at the same ratio as it has of late, it must in the end seriously affect the exchanges. Let us say to the extent of 25 per cent.; in which case wool, copper ore, and almost all other produce of the colony, will be acted upon to the extent of 25 per cent. when delivered in England. That is to say, if a grower sells £75 of wool upon England for £100, he can only negotiate the same for £75; or, if he ships it he gets £100 placed to his credit, which is paid out of the proceeds, but the amount itself must remain in England, for if it should be remitted back again to Australia, it can only be so done at the rate of exchange, viz., at a loss of 25 per cent. The abundance of the gold yield of Australia, however, will have little or no effect upon England so long as the rate of exchange does not become materially adverse with the continent.

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### INTEREST OF MONEY.

The Mahometans confound usury with the lending of money at interest. Usury augments in Mahometan countries in proportion to the severity of the laws, the lender always indemnifies himself for the risk.

In former ages the greatest part of mankind possessed nothing certain; there was, therefore, no harmony between borrower and lender, consequently interest augmented in proportion to the risk and peril of insolvency.

We need to go back to the times of absolute monarchies, to point out properly the true interest of money. It always happened, that the greater the necessities of the Governments, the higher the bankers charged for the loans required and contracted. Ten or twelve, or even twenty-five per cent. was not above the market often demanded, and often paid. We will, however, bring our reflections within the remembrance of our own time, and we shall find that the legal interest for money, was:—

## ENGLAND.

James I. . . . .	8	per cent.
Cromwell . . . . .	6	„
William III. . . . .	8	„
Anne 1710 . . . . .	8	„
„ 1714 . . . . .	5	„
American War . . . . .	4	„

## CONTINENT.

## YEARS.

1556-66	Charles V. . . . .	12	per cent.
1558-98	Philip II. of Spain . . . . .	12	“
1560	In Holland, Flanders, etc. . . . .	8	“
1601	. . . . .	9 & 10	„
1604	. . . . .	8	„
1624	Holland, Netherlands, etc. . . . .	6	„
„	London . . . . .	10	„
„	Holland . . . . .	5 & 4	„
1755	Holland (Amsterdam) . . . . .	2½	„

The interest of money was so low, and capital so abundant in Holland, that loans were made to all the states of Europe upon family-plate, jewels, and even upon the very Crown itself. Jewels of the reigning Sovereigns, as well as money, are reported to have been plentiful in 1723. That large sums were lent upon shares of the East India Company, at  $1\frac{3}{4}$  to  $1\frac{7}{8}$  per cent. is beyond question. In 1853, good bills can be discounted in Amsterdam under two per cent.

We read in the *Times* of the 1st of April, 1853:—  
 “There was no material change to notice in the New York stock or money market. Great difficulty was experienced in the negotiation of second class paper, for which the rates vary from 12 to 15 per cent.; first class mercantile paper was taken at the discount houses to day at 9 to 10 per cent.; good business paper, which in an easy condition of the money market is acceptable among the banks, is thus thrown into private channels at a severe loss. Loans on call on good securities were made at 7 per cent. Foreign exchange dull. We quote bankers’ bills—London, 109 to  $109\frac{1}{4}$ ; Paris,  $5\ 13\frac{3}{4}$  to  $5\ 15$ ; Amsterdam,  $40\frac{3}{4}$  to  $40\frac{7}{8}$ ; Hamburgh,  $36\frac{1}{4}$  to  $36\frac{3}{8}$ ; Bremen,  $79\frac{1}{4}$  to  $79\frac{3}{8}$ ; Frankfort,  $40^5$  to  $40\frac{3}{4}$ .”  
 What can be the result of paying such high interest for money? Greater distrust, retreat of capital, and withdrawing of credit.

The true solution is that in America, all trade is done upon credit, and in Amsterdam all in ready money or short-dated foreign bills.

Sir William Temple mentions that Holland had lent millions to foreign nations; and that money was so easily subscribed for loans amongst the Dutch, that the merchants and bankers lamented when none were required to be contracted. To have reduced the Dutch debt, would have been feared as a great misfortune. In the times of William III. and Queen Anne, the interest offered was eight per cent., which drew millions of Dutch capital to England. As we have before mentioned, 25 per cent. was gained by the rate of exchange, and 8 per cent. interest, which made 33 per cent. for the first year.

It was by operating on the several exchanges, in the manner mentioned, that Sir J. Child paid the second debts\* of King Charles. For instance, he purchased English bills largely at Antwerp for English gold.

England and France had a regular exchange for their gold coinage; and no derangement whatever in the relative values took place, except in time of war, and then, in order to meet the necessities of King Edward III., Henry IV. altered the standard one-fourth in value, by lessening the weight of the pieces. Louis XIV. did the same in 1709; France, at a later date, robbed all Europe from Calais to Moscow.

England and France were the masters, Holland,

\* His first debts were paid by seizing money in the Exchequer.



Spain and Portugal the dupes. Even the plate, the silver, and the gold of Holland were sent to be melted, to pay excessive taxes, and the funds of England were squandered in Spain and Portugal.

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### VALUE OF GOLD.

When the produce shall, as it is exceedingly probable that it will, exceed the demand, gold, as inevitably as other products, must fall in value; and this can no more be prevented, than a fall can be prevented in Cotton, Coffee, or any other marketable commodity. Let gold once fall in value, and it is clear that England can afford to buy the largest quantity, and pay for it by the increasing produce of her enormous power of labour; and it will be seen, in the sequel, what large profits are the results of circulating money in wages.

There are, however, two important changes that must be made in the employment of the national wealth. The first in the law of partnership, so that by the commandite, or limited-liability system, the enormous capital of the middle classes may find a speedy, legitimate, and safe employment, by thus forming, as it were, a coalition with enterprise and labour. The second, in having a new coinage of six and ten florin gold pieces, preparatory to the introduction of the decimal system of FLORINS and CENTS.

## VALUE OF THE GOLD DUCAT.

	<i>s.</i>	<i>d.</i>		<i>s.</i>	<i>d.</i>
1489 . . .	2	2	1700 . . .	6	8
1520 . . .	3	3	1800 . . .	8	4
1526 . . .	3	7	1812 . . .	8	6
1586 . . .	5	4	1815 . . .	8	4
1598 . . .	6	0	1840 . . .	8	4
1600 . . .	6	4			

*Riches de la Holland, vol. i.*

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 VALUE OF GOLD IN HOLLAND.

We have seen that this country, which no one will deny possesses the feeling of Prudence, in the very highest degree, has made a law and acted upon it, to repudiate gold as a dangerous appendage to political influence. Nowhere have the profit and loss upon this powerful metal been more *felt*, than in this country. From time immemorial upon the cessation of war, money has undergone the most serious convulsions. The precious metals are invariably drawn towards the seat of war, as offering a profit or *agio*. Conquerors have found it useful to fight without gold, yet no sooner does the tide turn towards peace, than the metals descend to their peaceful value, and often with a rapidity which swamps those who have been wildly or indiscreetly operating; and no country can have suffered more than Holland, after the end of the war in 1763, when the whole monetary system of

Amsterdam, Hamburg, and Frankfort, was overpowered by a panic such as had no parallel in those countries. The magistrates of towns were obliged to meet and offer money to those who had securities to give, and many possessing millions of securities could only obtain their bare and actual wants; yet, the return to cash payments after the war, was the sole cause of the whole panic.

PRICE OF ENGLISH GOLD AT AMSTERDAM.

1812, guineas . . .	£1 0 4
1815 „ . . .	1 1 0
1845, sovereigns . . .	1 0 6
1849 „ . . .	0 19 10
1852 „ . . .	0 19 6
1853 „ . . .	0 19 8

DISTRIBUTION OF GOLD.

The introduction of a regular monetary system into the various British Colonies would be extremely desirable, and fraught with incalculably good results.\* The want shews itself continually, an

\* The accounts by the overland mail of the markets for manufactured goods in India and China show no material variation. Prices were steady, but the general demand was not active. An important notification had been issued by the Government at Calcutta, caused by apprehensions of the large supplies of gold likely to be obtained from Australia, and their probable effect in depreciating its value, to the effect, that in future gold mohurs will not be received at the treasuries in payment of duties. The

instance of which is here subjoined, and it would greatly tend to the more clear understanding of

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consequence was, that the market for gold had been completely paralyzed, and that the dealers would not make an offer for it. The measure was regarded as injudicious, and seems likely to inflict a check upon the rapid trade that was opening up between India and Australia. The shipments of gold that had been received from Sydney and Port Philip were already very considerable, while further very heavy amounts were known to be on their way. Under the existing state of affairs, it was expected that the greater part of it would have been sent to England, where, by increasing the demand for silver, it will accelerate whatever changes may be impending in the relations of the precious metals. At the same time, as gold has ceased for eight years to be a legal tender in India, it is evident, that unless it were restored to its former position by a fresh act, the Government would, sooner or later, have been obliged to resort to the present step, since, otherwise, whenever the value of gold might diminish, as compared with silver, they would be liable to receive all their payments in the depreciated metal, and to meet all demands upon them in that which was the most valuable. Subjoined is the official notification:—

“ Fort William, Financial Department, Dec. 22, 1852.

“ Notification.

“ By section 9, Act 17, 1835, of the Government of India, it was enacted that thenceforward no gold coin should be a legal tender of payment in any of the territories of the East India Company, and accordingly gold ceased from the date of the passing of the act to be a legal tender of payment in the Company's territories in India.

“ But by a proclamation issued on the 13th of January, 1841, officers in charge of public treasuries were authorised freely to receive gold coins struck in conformity with the provisions of the same Act 17 of 1835, at the rates indicated by the denomination

financial results, and be more in harmony with the whole world. The fine island of Jamaica has only of late had sterling money introduced, and most of the other colonies are obliged to use, for want of a better, an antiquated and exploded currency.

Would not the present crisis be favourable for the introduction into the Australian colonies of a new coinage in rings of three florins, six florins, and twelve florins each, the first to serve instead of a silver currency? These observations are the reasonings of an old and experienced merchant,

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of the pieces, until they should have passed certain limits of lightness set forth in a table published with the proclamation, or until further orders; and gold coins have been thus received in liquidation of public demands up to the present date.

“ Notice is now given, that so much of the proclamation of the 13th of January, 1841, as authorised the receipt of gold coins into the public treasuries of Government will be withdrawn and cancelled from the 1st of January, 1853, and that on and after that date no gold coin will be received on account of payments due, or in any way to be made, to the Government in any public treasury within the territories of the East India Company.

“ Gold will continue, as heretofore, to be received into any of the mints within the territories of the East India Company for coinage, under the act and rules at present in force for the coinage of gold, but mint certificates for gold coins will be discharged in gold only, and no such certificate for gold will be accepted in any public treasury in liquidation of public demands, or on account of any payment to the Government whatever.

“ Published by order, etc.

“ J. A. DORIN,

“ Secretary to the Government of India.”

—*Times*, 13th February, 1853.

and are intended to provide for spreading of the twenty millions of gold coming into England. The adoption of his suggestion, he ventures to think, would be but taking a lesson from the Past the better to provide for the Future.\*

The exchange with foreign countries has been against England for nearly 160 years, being ten per cent. and more against the imports, and much in favour of the export of the manufactured produce of our own labour, and which consequently has acted hitherto as a bounty. This is now all past, free-trade and gold have set the doors wide open, legislation has cleared the road, so that every man may independently go to work in the way which suits him best. The idle and sluggish can have no more help in the future from the funds of the active and industrious man, in the shape of unfair bounties and exclusive privileges. Every one must now work with the same average energy, and with the same average cheapness as others, or starve, since labour is, in the future, emancipated from all protection. Now is the time then to give the industrious man and his fellow-labourers the means of limited partnership, that is, limited liability in partnership, termed "Partnership en Commandite." The adoption of this system simply legalizes an undoubted right, since it only, after all, empowers one man to risk a share of his gains to help another

\* See Appendix.

man, without risking the whole. All laws should have the effect of uniting the prudent and industrious, and whatever by possibility acts in a contrary way is highly pernicious and immoral. No law should be framed in so short-sighted a spirit as to prevent a man from doing what he likes with his own earnings. All men should not only be enabled, but encouraged to assist a fellow-workman with a share of their capital, upon terms to be agreed upon without restriction between themselves, and thus would it, in most cases, be made to bless both the lender and the receiver. By the law of commandite a money-lender gets his honest share for the risk of capital employed, or which is in danger of being lost. It is preposterous, however, to say that his remaining capital, or the house he lives in, should be lost because he has thought proper to lend a certain sum of money to another man.

Our English laws are favorable to the lending only of large sums of money, and those who deal largely have thus most unjustly the advantage, even in the lending to the industrious man also. A banker, for instance, lets a customer overdraw his account, this is a moral credit that is given of money at a high interest; this man is, however, thus at the mercy of his banker, who can at any time say—Pay me what you owe me? Now, the industrious man, to be at his ease, would say: I am very willing to give up part of my profits and

interest to a partner for the sake of capital, but the law ignorantly and absurdly says, whoever lends money, and divides the profits of the business done by that money with another, must run a greater risk than your banker; for he shall not only run the risk of losing the money lent, but any other capital he may possess.

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### GOLD AND SILVER WEIGHTS.

The eyes of the most experienced are now, we believe, open to the necessity of making a radical change in the English weight. The Troy weight has but seldom been adopted.\* Mr. Stuart, who wrote in 1760, only tried to adjust the troy weight with the Cologne Marc. The Troy weight was 12 ounces, or 5,760 grains, while the Cologne weight was only 5,400 grains.

\* To shew how difficult it is to weigh gold with troy weight to any nicety, the proposed ring-coin (for which see page 91), is just 5 shillings, a ring of 6 florins, or 10 shillings, is marked—

2 dwt. ....	£0	7	9	¼
14 grains ...	0	2	3	¼
	£0	10	0	½

Now, for what reason is twice 1 pennyweight and 7 grains not just equal to 2 pennyweights 14 grains? because there is a fraction which our weights for coinage will not or do not express. This is jewellers' calculation, and comes to the same thing.



In Holland the Troy weight } was formerly— - - - }	5120, as
Marc of Paris - - - -	5092 „
Marc of Cologne - - - -	4874 „
Pound Troy English - -	5760 „

In Holland, from 1336 to 1489, silver in coins bore to gold the proportion of 4 to  $7\frac{13}{20}$ , and fine silver  $\frac{47}{6}$  to 8; and from 1490, when America was discovered, the proportion had risen 1 to 3, or 8 to 25 or 24. Since 1686, the price has been 335 florins fine gold, and silver 25 florins per Marc. Any change in price has been corrected by an *agio*. In 1700, the *agio* was 6 per cent.; since then it has varied according to the exchange. The present rate is 1442.60 Dutch florins, with  $11\frac{1}{2}$  per cent. *agio*. The effects of the war-price of gold since 1793 would fill volumes, and the same battle of value is not unlikely to overtake us again; therefore, let us, in good time, set our house in order, so that the whole world may understand our weights, and the intrinsic value of our coins.

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### CHARLEMAGNE.

This great prince, who governed as many various peoples, of different languages and manners, as any monarch in the history of the world, changed the Roman coins, weights, and measures; and it was at this time that the pound sterling was first changed from 8 oz. the Marc, to 12 oz. Esterling,

and at which time 80 sous Tournois were changed to 240 Deniers (pence) sterling. This was done when only one man in a thousand could read.\*

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### THE INFLUX OF GOLD.

A large addition to the existing quantity of gold in the market will have the effect of reducing the sale of our manufactures, in the same manner that the entry of cheap gold reduced the exports of Spain from Barcelona and other manufacturing places. Before the discovery of America, several kinds of woollen goods came from Spain, such as calamanca. Barcelona was reputed the best market in Europe for silk, woollen, and cotton stuffs. This town was beautifully situated on the banks of the Mediterranean Sea, and had been prosperous from time immemorial for trade in fruits, wine, etc., and her commercial laws were so well established, that they formed the basis of the commercial laws of all the trading towns of Italy, and were afterwards brought from thence to Western Europe.

The decay of such a trading town as this, calls forth serious reflections as to the future changes which may come to the great marts of modern Europe.

The changes which occurred to the trade of Spain, will be easily seen, when we consider that

\* De l' Isle, p. 160.

her towns were full of manufactories before the discovery of America, 1493, and that the exports from Spain were constant in exchange of her manufactures for those articles imported from Northern Europe, such as metals, hemp, flax, and dye stuffs.

So soon, however, as the precious metals were brought into Spain, they were exchanged for imports from all civilised countries, who were anxious for the possession of the gold and silver. It was thus that the markets of the new world were furnished, not by the produce of the labour of Spain, but the produce of other countries which had any article to offer for their gold.

It was principally from the *entrepôt* of Cadiz, where the shipments were made for the new world, that the manufacturers of the interior gradually lost the export to their colonies, and the immense imports from other countries being profitable for export only, left the internal trade to its own localities. This was also opposed by the introduction of foreign merchandise for interior consumption, which was exchanged for the precious metals, and not for goods; therefore, not only were their exports for their colonies paid for in the same way, but the internal trade was furnished at a cheaper rate by other countries.

The exports were at length reduced to fruits, wines, etc., which were at all times extensive; but the bills drawn upon Amsterdam, and other places,

for the amount, were at such a discount, that not only did it enhance the price of articles exported, but having to support a loss of ten to twenty per cent. upon their bills, the same amount was charged upon goods exported. This adverse exchange acted also as a premium upon imports (woollens, for instance), brought from England or Flanders, and sold at twenty per cent. less than first cost in the countries whence they came, since they were paid for in bills, which were purchased for fifteen shillings, although they were paid twenty shillings for in England. Goods purchased under such a disadvantage, in a national sense, were brought into the home market to compete with the articles made in Spain, and being cheaper, gradually were purchased for home use by the mass of the people. The manufacturing part of the population were reduced, and towns deserted, which drove the population into the villages and monasteries, to lead an unproductive and vagabond life; the nation fell into a degraded condition, and abjectly saw the courtiers and priests enjoy the splendour of the large cities, where the lustre of the great continued from age to age, whilst the lower orders descended to slothful poverty. Into such hands fell the riches of Spain, and such were the results of the gold fields of America. Having destroyed the exports of manufactures, and reduced them to the consumption of the home markets, emigration gradually reduced their number, and

drove capital to seek different employment, which lowered the rate of interest from 10, to 5, 4, and 3 per cent. Money being withdrawn from employment of labour, sought investments in land, which, for a time, enriched the country, but corn, being also exchanged for the precious metals, at last reduced the profits, so that agriculture was also abandoned. Estates were sold, which ultimately fell into the domains of the Church, whose convents and monasteries nourished an idle and unproductive population, whilst the active and enterprising youth emigrated to her colonies.

Thus from the year 1493, when the importation of any considerable quantity of treasure from America to Spain first took place, to the year 1684, Ustiriz, an eminent Spanish author, asserts that the gold and silver brought home in pieces of eight, amounted to 5,000,000,000 of dollars, being twenty-one millions and a half yearly, which is equal to upwards of five millions sterling. Yet all this treasure used mostly to go out every year to other European nations, for their manufactures and produce with which Spain and the Indies were supplied in immense quantities. Many persons have been of opinion, that it would have been happier for Spain, if she had never planted her people in America, unless she had, at the same time, cultivated manufactures of all kinds at home, by which means she might have not only kept a large portion of her American treasure within herself,

for the support of those manufacturers, but also the manufacturers themselves would, by a necessary increase of people, have contributed to make up the loss of the Spaniards, who emigrated in great numbers to America.

Spain finding, after having, in two centuries, "filled," as Montesquieu says, "the world with 250 per cent. of precious metals," that her population had diminished in numbers, and become poorer in circumstances, adopted the expedient, in 1684, of laying a duty of ten per cent. upon the export of dollars, expecting by this means, that foreigners would be taxed to that extent; but no sooner came this news to Amsterdam, than the exchange fell above 12 per cent., and the articles of wines and fruit rose in price in foreign countries, and so diminished the consumption that the dollars were restored to their former value.

Spain having entered into the system of selling the precious metals for the benefit of the Government and nobility to the highest bidders, found their people discontented and without relief; and millions of gold having been dug for her, Spain had never used these gifts for her people, but for her Government.

With respect to the gold-fields of Australia, no Government can claim any privilege, for whoever finds gold can send it to the best market. The owner can sell it on the spot, at the price of the day, or he can send it to the best market in the colony,

or he may send it to his friends in England, being very different from the poor diggers in the Spanish colonies, who worked for daily wages.

The extraordinary manner in which gold is shown to be spread over various parts of the world, has come upon us as a dream; and the universal opinion given, that the resource of the diggings will continue, seems to point out, in a special manner, the great work of Providence for our benefit, to prevent the war of gold which has existed for above 2,200 years. It seems to be a peace-offering, that we may have greater reason to be peaceful and united, and that we may communicate and civilise, by our sciences, all the nations of God's creatures.

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## BANK NOTES.

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" I never considered Bank Notes as depreciated."

ABRAHAM GOLDSMID.

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The adverse exchange with the Continent of Europe, was always favourable to the export of manufactured articles, and it varied from 5 to 25 per cent. during the years of 1805 to 1814, during which time the difference of 25 per cent. was a premium upon exports, not only of British manufactures, cottons, iron, linen, etc., but Colonial produce, and East Indian goods.

I am convinced that bank notes were never depreciated with respect to exports, and having remitted thousands and thousands of pounds during the above-mentioned years to Manchester and Glasgow, the question never once arose as to whether bank notes were equal to sovereigns. Our bills from the Continent were generally paid in bank notes, and those notes would purchase all kinds of goods, just the same as gold coin. Even a late writer, not friendly to the bank note system, repeats that the adverse exchange acts sometimes as a premium upon export.

The same author\* is not equally true in his con-

\* " From 1809 to 1815 inclusive, Great Britain continued to export gold and silver to the Continent. During this period, therefore, we must add the expense of its export to the excess of the market over the mint price of bullion, to get at the true relative value of British currency, and the state of the real exchange. Mr. Goldsmid stated to the bullion committee, that during the last five or six months of 1809, the expense of transporting gold to Holland and Hamburgh, including freight, insurance, exporter's profits, etc., varied from 4 to 7 per cent. But at the time that the relative value of bullion in Britain was at  $5\frac{1}{2}$  (medium of 4 and 7) per cent. below its value in Hamburg, the market price of gold bullion exceeded its mint price 16 or 20 per cent., or 18 per cent. at an average; so that the currency of this country, as compared with that of Hamburg, which differed very little from its mint standard, was depreciated to the extent of about  $23\frac{1}{2}$  per cent. Now, as the computed or actual course of exchange varied during the same period from 19 to 21 per cent. against London, it is plain that the real exchange would not be far from par. Had the computed exchange been less un-



clusions, when he says that the principal source of the fluctuations in the nominal price of bills of exchange, is to be found in the varying value of the proper currency of commercial countries. How can he reconcile this, with the fact of the disorders which have existed in all times of war, and during its consequent excitement. In the wars of Edward III. in France, and those of Charles I. and the Commonwealth, and in the reign of William, there were great monetary panics and convulsions long before bank notes were known. Bank notes have often been most absurdly scandalised.

Mr. Goldsmid, who must be considered a greater authority than Mr. M'Culloch, differs from him in his ideas concerning a partial paper currency and its effects, and very correctly, we think, arrives at the conclusion, that in commercial payments "bank notes do *not* become depreciated." To read Mr.

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favourable, it would have shewn that the real exchange was in favour of London; had it been more unfavourable, it would, on the contrary, have shewn that the real exchange was against London."—*From M'Culloch's Treatise on Economical Policy.*

"The principal source of fluctuations in the nominal price of bills of exchange, is to be found in the varying value of the *paper* currency. The disorders which arose in the remoter ages from diminishing the bullion contained in coins of the same denomination are now reproduced in another form, and often to a still more ruinous extent in the depreciation of paper money.—*From the same Work.*

M'Culloch, one would be inclined to think that such a calamity as a crisis had never been experienced prior to the introduction of paper money, whereas they were both frequent and great long before paper money itself existed.\* A panic, or crisis, may obviously have many causes totally disconnected from any currency considerations whatever. The very wars we have just mentioned were the cause of panics. Mr. M'Culloch is, therefore, clearly wrong both in logic and in fact.

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### CHANGES IN THE COIN.

Edward III.† made a material alteration in the state of the coin in 1346, by commanding 22s. 6d. to be coined out of the Tower pound of silver. By this regulation the weight of the silver penny, which was still the largest real coin, was reduced from  $22\frac{1}{2}$  to 20 troy grains, and the pound to 51s. 8d. of our money. The same prince made a still greater change in 1351, by coining groats and half groats; the groats weighing 72 troy grains,

\* There is no want of banks in Australia, and yet bills upon England are selling at 10 per cent. discount. Can this be from depreciation of bank notes? or does the excess of bills reduce their value? The interest of money in California is 3 per cent. per month, which is charged by respectable houses for duties: other people, who are less scrupulous, charge more.

† Wade's History of England, p. 65.

and 60 of these groats making a nominal pound sterling, containing only as much silver as 46*s.* 6*d.* of our money. The coinage of gold was one of the greatest benefits produced by Edward III. By the advice of his council, January 20th, 1344, he commanded florins of gold to be coined, and to pass for 6*s.*, half florins for 3*s.*, and quarter florins for 1*s.* 6*d.*, of the money of that time.

In the Parliament which was held at Westminster in that year, the state of the coins was taken into consideration by the prelates, lords, and commons, together with certain merchants, goldsmiths, and moneyers, who were charged to give their advice how to prevent the good money from being carried out, and the false from being brought into the realm, and how good money might be increased, and the counterfeit expelled and destroyed.

After mature examination, it was agreed to by the Council, in order to increase and multiply the money, of which there was great want in the kingdom at that time; and to remedy the damage and loss which all orders of persons in the realm had for a long time sustained on account of the florins, which were delivered in payment in Flanders, bearing so high a value there as to occasion a loss of one-third, or more, upon all merchandize imported from thence to England, that a certain number of goldsmiths and others, skilled in the melting of metals, being the most lawful and

sufficient men that could be found, should be ordered to come before the Council, that by their advice one or two of each kind of florin should be refined, and the fine gold contained in them to be rated according to the true value of the same; that of this fine gold, one third of money should be made in England and in Flanders, provided the Flemings were willing, which should be current in both those countries at such weight, alloy, and value as should be appointed by the King and his Council; and that all other money of gold should be prohibited in England and Flanders, and should from that time be brought to the exchanges in both countries as bullion.

The adverse exchange has always had an important influence upon foreign trade. In the wars of Edward III., of Henry IV. and of Henry VIII., and during the civil wars of England and the first year of the Commonwealth, the guineas rose to thirty shillings, and also at the time of the Revolution in 1688. The same remark may be made as to the late wars in the times of Louis XIV., George III., etc.: in all cases the commerce of the country suffered, and will always do so.

During seven years' war (George II.), "there being an unusual scarcity of gold and silver at this time in England, partly occasioned by much money being carried out of the nation, on account of expensive wars in Germany and America, and partly by the large demand for the service of the

year 1759, the Bank of England, for the better accommodation of the public, in their receipts and payments, in April 1759, issued cash notes for £15 and for £10, which have proved very convenient for payments. Possibly" (says our author) "that bank, without any great inconvenience to themselves, and with considerable conveniency to the public, might issue notes as low as £5." \*

But, as usual, whatever assisted the circulation, helped to increase the demand for bullion as an article of export; and the directors of the bank, in 1771, were compelled to make application to government for protection. A Treasury minute, dated October 1, 1771, records:—"The governor and deputy-governor of the bank attend, and are called in. They represent to my lords, that they sustain a great loss by the quantity of *gold coin and bullion at present exported*, which has *very much increased of late years*." They speak also of "the small quantity of foreign corn and bullion *imported of late years*."—"They also inform my lords, that they suffer a loss of £20,000 annually at an average, by the coinage of gold, being at the rate of 3½ per cent."

Even during the American war (1782) there had been such a drain upon the bank for bullion, that it was under great alarm; and want of bul-

\* Anderson's Annals of Commerce, by Macpherson, vol. iii. p. 313.

lion had great weight in making peace with America.\*

### JEWS, GOLD, AND EXCHANGES.

The political troubles of the end of the last century brought forth the money-changers of the world. One can well imagine their gains, when we reflect upon the low state of the Exchange at Paris,† which was in 1790, 27 francs per pound sterling, and in 1793 and 1794, 17, 15,  $4\frac{1}{8}$  francs. People

#### \* AMOUNT OF BULLION IN THE BANK.

August 31, 1780	£ 4,179,370
„ 1781	2,862,590
„ 1782	1,956,550
„ 1783	590,080
Feb. 28, 1784	655,840
Aug. 31, —	1,539,830
„ 1785	5,487,040
„ 1786	6,311,050
„ 1787	6,293,000
„ 1788	6,899,160
„ 1789	8,645,860

#### † EXCHANGE WITH PARIS.

		Silver Ounce.		Exchange.	
		s.	d.		
1790	. .	5	$2\frac{1}{2}$	livres	$27\frac{1}{8}$
1791	. .	5	$3\frac{1}{2}$	„	$17\frac{3}{8}$
1792	. .	5	4	lowest	15
1793	. .	5	2	highest	17
1794	. .	5	1	lowest	$4\frac{1}{8}$
1795	. .	5	6		

—*Secret Bank Committee*, p. 288.

were so reduced for want of the precious metals, that they gave any securities they possessed for present need. The large fortunes of the Jews began at this period. The Jews advanced in wealth and importance: they did not serve as contractors to the armies, but they furnished funds to both parties. Napoleon gave them stability in the commercial world, as well as political consideration, by establishing their religion, making them officers in the army, and by calling a meeting of the heads of the synagogues in 1806.\* A convocation of Jews from the principal cities in France which assembled at Paris, by order of Bonaparte, excited much curiosity throughout Europe. The time fixed for the meeting of the Sanhedrim was the 20th Oct., but, as its discussions were prolonged to the ensuing year, it falls not within our province, at present, to give an account of its deliberations. We cannot forbear, however, mentioning in general, that the results of this assembly were satisfactory, and corresponded in every respect with the views and intentions for which it had been summoned. Its members were prevailed upon to acknowledge, that their laws concerning marriage and divorce were subordinate to the regulations of the civil magistrate; that their precepts respecting diet might be dispensed with during military service, or absence from home from any other cause; that their present form of church government might be lawfully

\* Annual Register.

changed, having no other origin but in views of expediency; and that their prohibition, and, in other cases, their permission of usury, related to charitable loans and not to mercantile transactions. In return for these concessions, the French government undertook to pay stipends to the Jewish priesthood, and succeeded in giving such a form to their church establishment, as ensured to the state a complete influence and command over their clergy.

Thus the Jews acquired an equality of laws. There are consequently four religions established by law in France, and pensioned by the state—Catholic, Lutheran, Reformed, and Jewish. It was at this time that the friendly Jews were usefully employed in the profitable calling of being the intermediates of transmitting property from France to other countries, particularly to Holland and England. This gave them credit and moral importance they never possessed in any age, or under any circumstances; and it must be acknowledged, that the Jews deserved the confidence reposed in them, for no lawsuit was ever brought against a Jew for restitution of objects having been acquired unlawfully below their value; although several houses were accused of opposite conduct, and even the objects which they unlawfully acquired for a few pounds' value of gold coin are named and known still to exist—such as paintings, bronzes, etc.



The Jews rose into moral consideration, and to the possession of wealth. It was through the means of the Jews that Napoleon collected, at a little premium, English and other gold to the amount of 300,000,000 of francs, which he possessed in the cellars of the Tuilleries before the campaign of Russia.

Gold seldom reached 4 per cent. in the countries under the sway of France, as a guinea is marked in the price current in Holland (1812) at 20*s.* 8*d.* It would have been well for England had the Jews been in Spain and Portugal; they would have driven away the rapacious hordes of speculators with small means in Exchequer bills, and Lord Wellington would not have written to Mr. Percival, that the army was six months in arrears of pay.\*

The new event of gold-finding will put into the hands of the Jews a monopoly of operating upon the exchanges, since the raw material, gold, has not been so free for their operations for above two thousand years. They will hereafter hold in

\* The Duke of Wellington shows a lively recollection of the dangerous and disgraceful predicament in which our armies were placed for want of money, and can scarcely avoid blaming the late Mr. Percival for it. "From some cause or other, there was a want of money in the army, as the pay of the troops was six months in arrear, a circumstance which had never been heard of in a British army in Europe, and large sums were due in different parts of the country for supplies, means of transport, etc." — (Extract)—*Letter from the Duke of Wellington to D. M. Perceval. Esq., June 6th, 1835.*

their hands the wires that are working the balances of money, in the markets at least of Europe. The addition to the quantity of gold will prevent the extreme oscillation of the exchange whenever large payments are wanted for imports of corn which has invariably caused a fall in the Exchange, to the advantage of exports, and we hope that all men will gain unity, strength, and knowledge, through the light Providence has brought amongst us by the discovery of gold, which, after all, is an article in which men receive the balance of their interest visibly to themselves.

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#### EFFECT OF ARBITRARY EXCHANGES AND SUBSIDIES ON PRICES.

Price is the expression, in money, of the measure of value. The difference of a depreciated commercial bill or treasury bill being added to the home price of wheat, is the same price at Hamburg as in London—forty shillings per quarter. If the bills are at an exchange of fifteen shillings, you must add 25 per cent.—for war, insurance, and other expenses—then the war price of wheat will be 40s. first cost, 10s. exchange, and 10s. expenses, making in all 60s.

Let us suppose that wheat in 1793 was 40s. We see, during the war it could not be brought into England under 60s.; therefore the English farmer

had a natural war protection of 30 per cent., which continued during the whole war; except, however, that bullion was exported to purchase wheat as well as other imports. Bullion must diminish in quantity, which was actually the case, for, in 1793, when there was £8,368,330 of bullion in the Bank, the price of wheat was equal at home and at Hamburg; but there was so much bullion sent out of England, to purchase imports as well as to pay subsidies and other extraordinary demands, such as foreign loans, etc., that bullion was reduced to £1,086,170 in 1797.

How much lower it sunk before an order in council was issued to stop paying in gold, is not exactly known, though, from evidence before the Bank Charter Committee, it is very clear that the Bank was in great difficulties.

We here show our first position, viz., the disappearance of bullion, and the consequent effect upon prices.\* So soon as none could be found to pay for imports, a fall took place to a still lower

* Bullion sent to Dublin	- -	1794	-	364,480
„	„	- -	1795	- 1,165,172
„	„	- -	1796	- 208,115
„	„	- -	1797	- 123,015

*Report of the Lords' Committee of Secresy, 1797.*

No. 19.

In the course of the years 1794 and 1795, the sum of £550,000 was paid in advance to General Clersaye, by way of loan to the Emperor.

In the year 1795, a loan, to the amount of £6,000,000, was

adverse exchange on the Continent, that is, so soon as nothing could be offered for foreign produce but depreciated paper both of Government and merchants.

This was the commencement of high prices, which continued more or less from 1793 to 1815. There was at this period also a war price which was a protection upon wheat to the amount of 30 per cent. or more. At the same time our demand for all foreign productions was greatly increased by the purchase of warlike stores on the part of Government, the price of which was augmented in consequence of being paid for in exchequer bills. As, for instance, hemp may be mentioned; in 1793 the price had been £22 per ton; it advanced, however, progressively, between that time and the

made for the service of His Imperial Majesty, out of which loan the foregoing sum was repaid.

There has also been advanced, by way of loan, for the service of the Emperor, in the year 1796, and in the present year, the sum of £1,420,000.

Whitehall Treasury Chambers,  
31st March, 1797.

CHARLES LONG.

This was the commencement of the system of subsidies, which were extended during the war to above £60,000,000, how much of which sum was stopped in its transit by negotiators, and bullion, and bill brokers, would not be confessed, although the question might be asked of those who remitted the money. The correspondent of Hope and Co., positively refused to give the Bullion Committee the rate at which bills were negotiated, or bullion sent out to the Emperor.

peace of Amiens to £86 per ton, but it fell again in 1802 to £32. On the renewal of hostilities, the price again advanced, and in 1808 and 1809 it was £118. In 1815, after the overthrow of Napoleon, the price fell to £34. On the other hand, all those descriptions of goods which were produced by us, or which came from our colonies or elsewhere, were greatly depressed in price. At the same time, the prices on the Continent of goods (so abundant and so depressed in our markets) were exorbitantly high. Why were goods upon the Continent at a higher price than in England? Take sugar, for instance. During the adverse war exchange, this article was selling in London for 40s. the cwt.; sent to Heligoland, it could be sold for 30s. and the expenses;\* the same with coffee and manufactures; and it is a curious circumstance to mention, that we actually heard the Danes and other foreigners lament that their islands were not taken by the English, so comfortable was it to receive the rents and interest upon mortgages in conquered colonies, they also having the privilege of sending the produce to England.

It must not be forgotten, that all goods shipped from England participated in the profit of the adverse exchange often to the amount of 30 per cent., which was, to almost a fraction, equal to the arbitrary price of gold in 1813, which was at the price of £29 4s. 1d. premium.

\* Porter, "Progress of the Nation," p. 415.

The fall in the price of gold in 1815 was in consequence of its having lost its arbitrary value by the rise in the exchange from 15 francs to 24 francs; therefore, if a person wanted to purchase hemp or wheat, he could give a bill, which was as good as gold, at the rate of 24 francs, and his hemp was 30 per cent. cheaper. If a person, however, wanted to remit for coffee or sugar, he was obliged to give 24 francs, or 30 per cent. advance, for his remittance. This made produce high on the Continent, therefore, this shows that the arbitrary value had left gold to its intrinsic value, and the bank-note and sovereign approached more nearly to an equal value both at home and abroad.

The Government, having large financial operations to make in winding up the accounts of the war, thought it most profitable to effect those operations in a redundant paper currency; the Bank Restriction Act was therefore *wisely* renewed from time to time to the great profit of that establishment, and to the manifest advantage of all other classes. The conduct of the Bank of England in those days exhibited the highest point of intelligence. Being aware of the approach of the time at which the restriction, which had been so profitable, would cease, the Directors of that establishment must have seen with satisfaction a large provision of bullion, which, as it could not be demanded for their notes, remained in their coffers uninfluenced

by the rate of Foreign exchanges or the market price of gold.

Having this abundance of gold, the Government very unwisely yielded to the clamours of the moment, and ordered notice to be given to pay off in specie, first, notes in circulation dated prior to 1816; and afterwards, those issued in 1817. The amount of circulation was unusually large, in consequence of an excessive quantity of accommodation bills to bolster up large stocks, which had been shipped to the continent, and gold had not yet found its intrinsic value, the exchange varying from 22 to 24 francs. Even at the last price, gold could be exported at a profit of 5 per cent. The par of exchange being in francs 25-40, or 12 florins Amsterdam, left one franc for profit and expenses between gold and paper. Many an old merchant then thought, and must now acknowledge, that returning to cash payments at such a period was most unwise, if not criminal, to a large commercial class, and was the main cause of all the various losses and troubles of that eventful period, 1819. No complaint was to be made against returning to cash payments, but to do so before the exchange had righted itself, to continue payment in specie for two years from 1817 to 1819, and to allow a premium of gold up to £4 1s., and then for it to be acknowledged that the bank was so nearly exhausted, that it was necessary to hurry through Parliament an act restricting the Directors

from acting any further in conformity with the notice they, that is the Parliament, had given in September, 1817, to pay bank notes off in specie. It is from such acts, that old merchants are capable of judging how far secret committees and mere theories should be allowed to make arbitrary laws to guide important commercial affairs.

The disasters of 1819 drove the richest manufacturers out of the trade, (Sir Robert Peel had given up his business at the panic of 1810 and many followed him at this period), and the West India merchants, who had been luxuriating in a successful trade since the time of Cromwell, returned home with princely fortunes to swell the mass of wealth accumulated during an expensive but successful war.\* No one could expect prudence from such an excess of capital without employment, and the result was that nearly sixty millions were sent abroad, or contracted for in Foreign loans—hence the panic of 1825.

It was at this time that the farmer returned to the starting post of 1793, being obliged to sell his wheat at 40s., or at the Hamburgh price, as he was no longer protected by an adverse exchange.

\* “The citizens *began to decline trade and turn usurers*; foreign commerce, attended with the hazards of war, had infinite discouragements; and people in general drew home their effects, to embrace the advantages of *lending money to the government*. In 1710, the circulation of the bank of England was lower than it had ever been before; and for a number of years after, corn was brought down nearly to its metallic value.”—*Hoare on Prices*, 1812.



## WAR EXCHANGES.—MONEY.

Whenever a people are involved in war, or in disputes with foreign nations, their coin becomes scarce, because they are driven to support the consequent expenditure with their own money. This has been handed down to us as an invariable rule. It shows the same cause to produce the same effects, from the time of the Roman first Punic war, 264 years B.C., when the *As*, the copper coin, was reduced from twelve ounces to two, and after the second Punic war, to one-fifth of its former value.\* This system has been continued by the tyranny of governors to the end of the last century.

However, our country has often been tormented by the idea of reducing the standard even so late as the Bank Restriction Act. Lord Ashburton thought that it might be prudent to reduce that of the sovereign to 15s. during the scarcity of gold and adverse exchanges.

The most memorable battle of words upon this subject was during the panic of 1622, between Gerard Malynes, a Dutchman, who had been much employed by King James in mercantile affairs and money matters, and Edward Misselden, an eminent merchant of London. †

Malynes proposed, as a means of keeping money at home, to alter the course of exchange by

\* *Recherches sur le Commerce*, tom. 1, p. 22.

† *Anderson's History of Commerce*, Vol. III., p. 300.

authority, whenever it should become adverse, as if foreigners beyond sea would be forced, against their own interest, to regard law made in England.

Misselden wrote a work just the reverse of his opponent, entitled the *Circle of Commerce and Free Trade*, in which he explained the business of mercantile exchange as it is understood at this day, and pointed out the folly of attempting to regulate it by public authority, since it was then, as it is now principally governed by our imports and exports, and by the greater or less demand for money at home or abroad.

This discussion was in consequence of the adverse exchange and the disputes with the Dutch East India Company, which had caused great losses to England by the fall of East India stock.

Such, it must be admitted, will always be the effect from war, and, therefore, let us be provided with gold in all shapes, that we may throw as much coin abroad as possible; and in this case the ring, or annular coin (subsequently described), will well fulfil its office, as we hope it will be in thousands of hands over the world, who will receive it at 3*l.* 17*s.* 10½*d.* standard price per ounce, and it cannot be controverted that the rings will return to us whenever we call for them by a premium on gold.

Bankers, and dealers in foreign bills and bullion, are very good judges of those special articles in which they deal with London, Paris, Hamburg, and Amsterdam; that is, they take the profit

resulting from arbitrating and selling the dearest bills, and buying the cheapest. But if we inquire of them the origin of bills, they are usually as ignorant as any other persons solely engaged in commerce, except only under political circumstances.

Were it desired to know perfectly what is the true value of the exchanges, and their effects upon national profit and loss, we should go to Manchester or Glasgow, and enter into the export trade with a capital of £10,000, and export to thirty different markets to the amount of £200,000, then the effects of the exchanges would be felt. Mr. John Brooks, of Manchester, related at a meeting, that he had imported thirty-six articles in the year 1837, to the amount of £114,187 which he had shipped, and upon which he lost  $37\frac{1}{2}$  per cent., or £42,760, receiving back in cash only £71,367. It is from such men that a rule of the exchanges can be obtained, and not from bullion committees, or Adam Smith, or Ricardo. Bankers and bullion dealers have to attend to their own business, and to try every means to make it profitable. They first have as much right to contract the issue of their notes, when they find these notes are used to purchase bullion, as bullion dealers have the right to return bullion to the bank when there is no profit in dealing in it; in fact, they sell it for corn or cotton, of which the first is eaten and converted into wages for cotton wares, which are afterwards

exported. Hence, after an immense circulation, gold is returned to the bank, which holds bullion for future occasions to pay for imports when the exchange is adverse.

It is thus shown to the most inexperienced in money matters, that the home market for gold has little influence upon its price.

The expansion of bank notes is the natural consequence of the return of gold to this country, as was the case in 1819, but a contraction of the same notes would take place in case of an adverse exchange, and an export of bullion would ensue, of which the effect is generally more severely felt in England than any other country in the world; and it is my sincere belief that this is caused by the immense quantity of bills accepted to accommodate overshipments to distant markets. As these bills are renewed on easy terms, but required to be paid when money is scarce, they act in two ways detrimental to the mass; the process is injurious to the fair trader who pays higher interest, but it stops speculative overtrading bills entirely. Such a system affects the whole trading community, and induces a liability to great convulsions.

After the close of the American war, England prospered greatly for a number of years, and for the last five in particular previously to 1793. She appears to have beaten all opponents out of the field. Even the Dutch and Ostend East India

Companies had declined. Our cotton, iron, and woollen manufactures had prodigiously increased, in consequence of a treaty of commerce with France; and our American and West India trade was increasing, which caused the greatest activity to the home markets. Wages were reasonable and capital in demand at high interest, and above all these, was the good feeling of credit amongst the commercial class. When events happened which destroyed this golden period, the Revolution took place, our exports were stopped, an adverse exchange raised the price of imports; to counteract this, bullion was exported, and our troubles began. There was then only £1,086,170 worth of bullion in the Bank, but the whole amount in the United Kingdom was supposed, by Lord Liverpool, to be about thirty to thirty-five millions.

Whatever is the amount of bullion we possess at this time, in 1853, in the United Kingdom, I do maintain, as I have mentioned, that it is not more above our wants, exporting, as we do, seventy millions, than the amount of £5,322,010, which existed in 1793, when it is compared to the exports at that period; or, in other words, we have not more bullion now, in proportion to our trade, than at the beginning of the French war, and we had not then hanging over our heads the fearful amount of accommodation bills to explode and increase the disaster, by bringing a sudden discredit upon all bills from the manufacturing districts and their correspondents.

We have been abundantly prosperous for a number of years, notwithstanding the checks of the panics of 1825 and 1847. And, as we have seen, we had been prosperous up to 1793, yet no one can read without a painful feeling the report of the Chancellor of the Exchequer.\* He laid before the committee a paper which had been delivered to him by the Lord Mayor, and he had received communications from many different quarters, that evils were represented as likely rapidly to increase to a serious extent, if some extraordinary means were not adopted to restore credit and circulation.

Thus began the money measures as to Bank notes and Bank restriction, which form too wide a field for our present purpose, any further than to shew how little foreigners understand our past history.

We acknowledge that the world owes much to the valuable statistics of the two celebrated writers on the precious metals, M. Chevalier, and Leon Faucher, whose histories of the precious metals are valuable as such, but the last writer does not know our English export trade, when he remarks, that England had not coined a single sovereign in 1814, 1815, 1816, but issued at once in 1821, £9,220,758.

He is surprised that this sudden collection of gold did not bring about a general crisis. Why, the truth was, that Great Britain could not help herself. Gold returned as the exchange rose, and she was obliged to receive it at £3 17s. 10d

\* 1797.

Hitherto there was no gold to coin, nor was there till 1819, when the coinage made progress as follows:—

GOLD COINED.					
1819	-	-	-	-	£ 3,575
1820	-	.	-	-	949,516
1821	-	-	-	-	9,520,759
1822	-	-	-	-	5,356,788
1823	-	-	-	-	759,748
					£16,590,386*

If M. Leon Faucher will read the history of that time, he will find that the return of gold had a fearful effect upon trade. †

\* John Taylor, from p. 89 of his "Catechism of the Currency."

† Mr. Chancellor of the Exchequer being attending, he was called in, and examined.

When did the Directors of the Bank first communicate to you their apprehensions of danger from a diminution of specie in the Bank?—Before I proceed to answer the question, I beg to inform the Committee, that I received from the bank confidentially, the particulars I am acquainted with, of their precise situation, and must beg to decline stating those particulars, unless I receive their permission. With respect to the immediate question, I must beg to distinguish between the apprehensions of danger from the particular drain of specie, which immediately produced the order of the 26th of February, and apprehensions of a more general nature, which were expressed to me at earlier periods. In consequence of the great expenditure for services abroad in the year 1795, and particularly of the loan to the Emperor in that year, strong apprehensions were expressed by the bank that the continuance of such a drain might be attended with dangerous consequences to them. These apprehensions were particularly expressed (I think) in February 1796, in con-

It was the general desire expressed by Ministers and Parliament, that since the war had terminated

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sequence of a new loan to the Emperor being then in contemplation. At different periods in the course of that year it was represented to me that the proportion of cash in the bank was materially reduced, although I was not then informed of the precise particulars. I collected that some fluctuation and some further reduction of cash took place at different periods in the course of the year 1796; but on the whole I understood that the state of cash towards the end of the year was not materially different from what it had been at an earlier period (I think about the middle of the year, but I cannot state that precisely); and I also understood that the course of foreign exchange, which had become very unfavourable, particularly with Hamburgh in the course of the year 1795 and in part of 1796, towards the end of 1796, became favourable to this country, and has continued so, I believe, till very nearly this time. In the course of the month of January last I received further representations from the bank of their uneasiness from the further diminution of their cash, but this was then attributed to the great demand from Ireland and not from foreign countries; and they expressed great apprehension that this drain would be greatly increased by an Irish loan being negotiated here, for which, at that time, application had been made. They afterwards expressed more urgent apprehensions of the diminution of their cash in the month of February, particularly in two weeks immediately preceding the Order of Council, and most particularly in the last of those weeks. I beg to add, that this drain in the month of February was ascribed, in their opinion, to drains from different parts of this country in consequence of local alarms.

The manufacturers have plenty of goods on hand in London and in Glasgow, which they cannot sell, but at so reduced a price as renders it perfectly absurd for them to think of disposing of their goods, in order to obtain immediate relief. The manu-



so successfully, the Bank should more freely supply the wants of the community by an increase of circulating medium. The increase of paper money was resorted to, and its employment in the purchase of bullion was speedily perceptible in the reduction of the amount of commercial paper discounted by the Bank. It was imagined that the Bank was preparing for the resumption of cash payments, but the return of bullion increased the value of its paper, and therefore it was impossible that the Bank could pay for gold, and at the same time continue to discount the usual quantity of commercial paper, and this was soon felt, as is seen from the annual average of paper discounted by the Bank, which decreased from 14 millions in 1815 to 4 millions in 1817.

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facturers, and those who have cotton mills, have begun to discharge the workmen employed by them during the last fortnight; and by a letter received from the Lord Provost of Glasgow by him this morning, he learns that the manufacturers have discharged a very great number of workmen. There are employed in Glasgow, Paisley, and their dependencies, in different parts of Scotland, about 160,000 men, women, and children. Any relief to be administered, must be given immediately to render it effectual.

The result of the information thus obtained, confirms your Committee in the general impression which they have already stated, and seems to preclude the necessity of requiring further evidence as to the extent of the evil, and the necessity of a remedy; and the urgency of the occasion appears to render it highly desirable to avoid all unnecessary delay.

ANNUAL AVERAGE AMOUNT OF COMMERCIAL PAPER UNDER  
DISCOUNT AT THE BANK.

1815	- - - -	£14,947,100
1816	- - - -	11,416,400
1817	- - - -	3,960,600
1818	- - - -	4,325,200
1819	- - - -	6,515,000
1820	- - - -	3,883,600
1821	- - - -	2,676,700

It will surprise Leon Faucher that the return of bullion, and the rise in the exchange of twenty per cent., which had the effect upon the price of imports to that amount, caused a general fall of prices of articles, which a long continuance of adverse exchange lifted to so high a price, in conjunction with this sudden check to trade, loss upon merchandise, and want of discounts, as brought on such a panic, that eighty-nine commissions of bankruptcy were issued against country banks in the years 1814, 1815, 1816.

The consequences were, a general fall of prices of manufactures, and those articles of export, which had been so encouraged by adverse exchanges. Bills for return payment of shipments from Gibraltar, Spain, and Portugal, which were formerly to be bought at 15s., rose to 19s. We had lost nearly the whole protection which the high price of bullion had given to exports. Total ruin overtook thousands of shippers who formerly possessed the fairest prospects.

The advocates of paper money were accused of

having deluged the country with bank notes, and with having raised prices immoderately, and pilaged those who had so long paid these excessive prices. Yet, the issue of paper money was at no time greater than the wants of the internal trade of the country required, to give a due protection to the internal traffic of the kingdom.

The export trade had been immense, and had caused an unknown prosperity of the productive classes. To such an extent had it risen on the declaration of peace, that our excess of exports being an average of 26 millions, in 1814 rose to 131, and fell in 1819 to 70 millions.

No one can, we imagine, be surprised, that such a reduction in the export of articles produced by wages should throw a multitude of people out of work; and it is apparent from the preceding statement, that both masters and men were under a great convulsion. The productive classes and their masters had been profiting, it was said, at the expense of the unproductives, and with this came disputes of the press, with William Cobbett at their head, and contentions among the whole mass of the population, so that it was no wonder that popular orators should easily agitate the sufferers, and hence the fame of Henry Hunt and his associates, and the darker shade made in the history of that period by the crime of Thistlewood, and the misfortunes occasioned by the intemperate conduct of the magistrates and volunteer military at Manchester.

We have explained to M. Leon Faucher how the sudden collection of gold affected Great Britain; and we expect that he will admit that it *did* bring about a general crisis.

These crises England must expect to be repeated so long as she has so extensive an export trade to work a profit out of the adverse exchanges, in order to counteract the immense loss which would result from English imports being obliged to support a rise in price equal to the depreciation of commercial paper.

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#### EFFECT OF THE ARBITRARY PRICE OF GOLD ON WAGES.

When we concluded our remarks upon prices, we mentioned that the farmer, having no longer the protection of 30 per cent. by the adverse exchange, was compelled to lower the price of his corn to the Hamburg price of 1793. It was evident some relief must be afforded him, or his capital would be wasted away in fruitless endeavours to bear up against the price of corn grown by untaxed countries; therefore a duty was laid upon foreign corn, and of so high a rate, that it was felt to be a protection; and it has been abolished. Now the land-owners have been the cause of their own loss of a protecting duty of 8s. per quarter, which was offered, and which every man of influence would have granted them. This was sufficient; for 8s.

per quarter is 20 per cent. upon 45s. in 1790, 7 per cent. freight and expenses: this, with the influence of one bad harvest out of five, gave a protection of nearly 30 per cent.

It must not be forgotten that this corn law was established under the pressure of returning from war to peace: and under the gloom cast upon the country by £11,800,000 having been spent in maintaining the poor, and the general distress which prevailed in manufacturing districts.

We must now examine how wages, which with all other property began the struggle with the war-prices of 1795, with wheat at 45s., and, on the average of ten years ending 1817, at 91s. 10d. the quarter; and there is to be added the advance which had taken place in every article of family use.

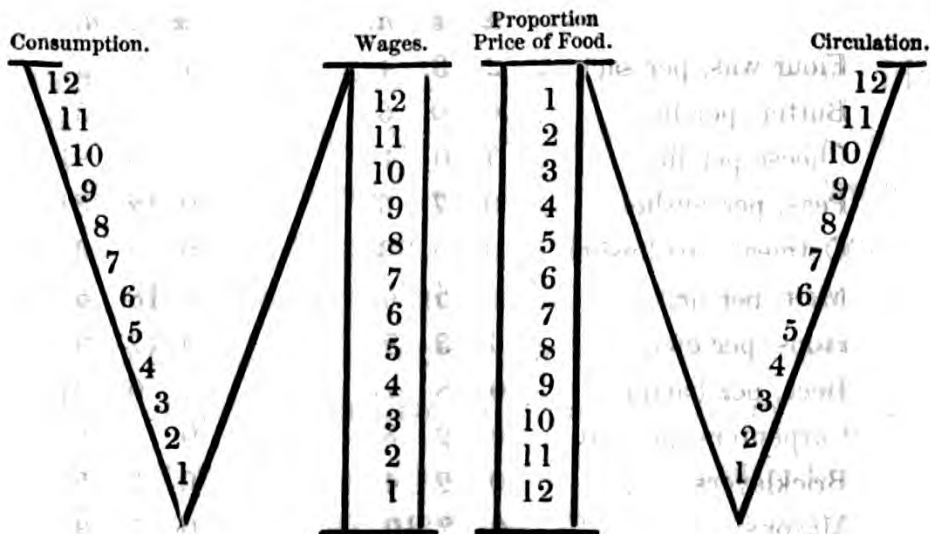
From the list of prices published by the Board of Trade, it appears that—

	In 1790.			In 1812.		
	£	s.	d.	£	s.	d.
Flour was, per sack . . .	2	3	4	5	7	5
Butter, per lb. . . . .	0	0	6½	0	1	3½
Cheese per lb. . . . .	0	0	4	0	0	8½
Peas, per bushel . . . .	0	7	6	0	12	8½
Oatmeal, per bushel . . .	0	5	3	0	13	3
Malt, per qr. . . . .	1	15	6	4	18	6
Hops, per cwt. . . . .	6	13	9	9	17	0
Beer, per barrel . . . .	0	8	7	1	0	9¼
Carpenters, per day . . .	0	2	8	0	5	6
Bricklayers, „ . . . .	0	2	4	0	5	5
Masons, „ . . . .	0	2	10	0	5	9
Plumbers, „ . . . .	0	3	3	0	5	9

	In 1790.			In 1812.		
	£	s.	d.	£	s.	d.
Candles, per doz. lbs.	0	7	9	0	12	6
Shoes, per pair . . .	0	8	11½	0	4	11
Coals, per chn. . . .	1	14	4¼	2	16	1
Mops, each . . . . .	0	1	2	0	1	5
Stockings per pair . .	0	1	6	0	2	6
Hats, each . . . . .	0	2	6	0	3	0

Many celebrated writers (Malthus, etc.) have endeavoured to invent theories and point out remedies, which have proved mere waste-paper. It is proper in human physiology, we believe, to find out first what is the malady, and then to apply the remedy. In the case of the English people it might have been solved in a few words, by an old French proverb, which is—"Empty bellies have no ears." The truth was, circulation of wages had diminished.

The following diagram, with a few minutes' attention, will show the true state of the manufacturing and working classes:—



When wages were at 12, consumption was at 12, and the use of capital 12, the same during these gave 1 of food to the labouring classes; but as soon as wages descend 1, the capability or the means of buying food descends 1 also; when, therefore, wages have descended to 6, the means of buying have descended to 7;\* and we have now to point out a change which was worked for them in the following manner:—

Sir Robert Peel, and most of the old-war large manufacturers, as we have mentioned, had retired, and withdrawn their capital from the trade after 1819. Dozens of large spinning-mills were to be let, with other extensive works, requiring large capital. The sufferings were prolonged some time; but from time to time it was seen that the old masters had not found their speculations in the funds either so remunerative, or so agreeable, or so honest as their former habits of making £10,000 to £20,000 by cotton printing or spinning. These persons returned to examine if, by giving new blood to the old establishments, it were not possible to gain something by being sleeping partners with the young and active men of business brought up under the war-system of large profits. These partnerships were begun in earnest. The new masters called the workmen together, and told them in plain terms, “ We will employ you at the

\* At last, he gets 1 shilling of wages to buy 12 shillings worth of food; hence, turn-outs and murmurs. No circulation no consumption—mistrust and panics.

same wages, if possible, according to our profits; but *we must have double work turned out of hand for the same wages.*" The Rubicon was passed: John Bull breathed again; and from the energy and new life of the masters, and the Saxon strength of the people, the British workman rose out of the torpor into which the change from war to peace had plunged him, and shook off the effects of arbitrary exchange and Bank Committees at the hut and the cottage. Science and practical industry joined hands; and they have raised, by their united efforts in mechanism, monuments of awful grandeur, to the astonishment of the universe, when the results are contemplated, in steam, railroads, and telegraphs.

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## THE WEST INDIES.

### A D V E R S E   E X C H A N G E.

Having shown the rise and importance of Great Britain's manufacturing system, and after passing under review the most extraordinary events of a long war in her upward progress, we shall now enter into a field not less important,—the British Colonies.

In the year 1789, as you will see, upon reference to the report of the Committee of the House of Lords, appointed to examine into the African slave-trade, the value of property in the British West India Colonies stood as follows:—



450,000 slaves, at £50 sterling . . . .	£22,500,000
Lands, buildings, stock, etc. . . . .	45,000,000
Ships, houses in towns, etc. . . . .	2,500,000
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Total . . . . .	£70,000,000
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Since that period, it is well known that the value of buildings, stock, and machinery, has been more than proportionably increased; so that the value of the whole at the present day, including what may be called the temporary mercantile property invested in goods, is not over-estimated at £150,000,000.

The following is a short abstract of the sugar produced, and the capital invested, in the various countries where sugar and other articles of commerce are produced by the labour of slaves. The estimate for the Brazils is taken in proportion to the value in the colonies belonging to France, wherein the different species of cultivation is very nearly the same as in the Brazils. The estimate for the United States is taken upon the scale at which these states made the British government pay for the slaves which their naval officers carried away from these states, and who are now settled in Trinidad. The amount, you will also observe, is independent of the value of all the shipping engaged in the trade with these countries, and of that property which may be called transient mercantile property, which is placed in them. The population of the insular colonies amounts to 2,900,000 souls.

	Cwts. Sugar.	Capital.
British Slave Colonies .	4,580,743	£150,000,000
French do. do. .	1,945,000	81,492,000
Spanish do. do. .	2,800,000	170,000,000
Dutch do. do. .	450,000	8,500,000
Danish do. do. .	310,000	9,000,000
United States do. .	870,000	600,000,000
Brazils do. do. .	2,000,000	163,000,000
Total .	<u>£ 12,955,743</u>	<u>£1,181,992,000</u>

The shipping employed in and dependent upon this trade must amount to 1,500,000 tons, and the value of which cannot be less than £20,000,000 sterling. The exports and imports to and from all these countries and other parts of the world, are, probably, not much short of £90,000,000 sterling per annum. The value of what may be called transient commercial property placed in them, admitting that only one year's supply is afloat and on hand, can hardly be less than £40,000,000 sterling, which, with the shipping and the fixed capital otherwise invested, will make the enormous sum of £1,240,000,000 sterling, which was at stake, independent of all the outstanding debts due to commercial men and others, amounting to perhaps £100,000,000 more, all of which was disturbed and shaken, and by want of "going a-head," as we confidently believe.\*

The plain truth is, the West India proprietors, were in a similar condition to the manufacturers, Sir Robert Peel (1810), and others who followed

\* Blackwood, Oct. 1833.

him after the effects of returning to the peace prices of 1819. These proprietors thought little of the immense sums added to the national debt, for which we are yet paying interest, for the protection of the West Indies, while the proprietors were adding millions to their capital. We admit their difficulties, and can excuse their disgust at emancipating the slaves in so peremptory a manner; yet all must admit that large profits had spoiled every one connected with the islands.

However, that we may see what mischief war excitement makes in the well-being even of colonies under its influence, we will give an extract of the present state of the best island in the West Indies.

Let us now consider the actual position of Jamaica, the oldest dependency of the Crown, and in point of natural advantages unquestionably entitled to rank among the first. Not six months have elapsed since the publication of a work, descriptive of the state of that island, by an American gentleman, a native, I believe, of one of the northern states. The conclusions to which Mr. Bigelow comes are in many respects the very opposite of mine; but I cite him here simply as a witness to matters of fact. Perhaps the following passage may be considered as sufficiently indicating the opinion of a foreign observer respecting the alleged prosperity of a British colony:—

“ It is difficult to exaggerate, and yet more difficult to define, the poverty and industrial prostration of Jamaica. The natural wealth and productiveness of the island are so great that no one

can starve; and yet it seems as if the faculty of accumulation were suspended. All the productive power of the soil is running to waste: the finest land in the world may be had at any price and almost for the asking; labour receives no compensation, and the product of labour does not seem to know the way to market. Families accustomed to wealth and every luxury, have witnessed the decline of their incomes, until now, with undiminished estates they find themselves wrestling with poverty for the commonest necessaries of life."—*Bigelow's Jamaica in 1850*, p. 54.

And in support of this strongly-worded but true description, he appeals to the abandonment of 150 out of 653 sugar estates cultivated in 1832—to the consequent relapse into primitive forest or bush of some 200,000 acres of rich land, whereon 30,000 labourers used to find work and maintenance—to an almost equal retrogression which has taken place in coffee-planting—and to a falling off in the production of various articles of export, varying from 50 to 80 per cent. on the whole. He states farther, that one estate of 1,244 acres, formerly worth £18,000, had recently been sold for £1,000; another, formerly worth nearly £70,000, for £8,400; a third offered in freehold to the overseer in payment of one year's salary, viz., £120; a fourth, once mortgaged for £30,000, now parted with for one-twelfth of that sum: and after enumerating several other instances of the same kind, he winds up his statement by a general assertion, which, though not absolutely enabled to confirm from my own knowledge, I am inclined to think accurate—"That prepared land, as fine as any

under cultivation on the island, may be readily bought in unlimited quantities for five dollars an acre, while land far more productive than any in New England, may be readily had for from fifty cents to a dollar." Again, after expressing a very just admiration of the natural resources and fertility of Jamaica, and more than hinting that under a different government (*i. e.* that of America) these resources would be developed to an extent at present undreamt of, Mr. Bigelow thus closes his remarks:—

“Such are some of the natural resources of this dilapidated and poverty-stricken country. Capable as it is of producing almost every thing, and actually producing nothing which might not become a staple with a proper application of capital and skill; its inhabitants are miserably poor, and daily sinking deeper and deeper into the utter helplessness of abject want.

*‘Magnas inter opes inops.’*

“Shipping has deserted her ports; her magnificent plantations of sugar and coffee are running to weeds; her private dwellings are falling to decay; the comforts and luxuries which belong to industrial prosperity have been cut off, one by one, from her inhabitants; and the day, I think, is at hand, when there will be none left to represent the wealth, intelligence, and hospitality, for which the Jamaica planter was once so distinguished.” \*

Mr. Stanley, M.P., then gives the excesss of cost of free labour over slave or compulsory labour per

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\* Much of the embarrassment and distress attributed to absenteeism arose, in the case of the West Indies, from the lax and careless manner of appointing agents. The manager of an estate was in general only entrusted with the cultivation. An attorney, resident perhaps a hundred mile off, had charge of

cwt. of sugar. Now this is not a fair criterion; and it is plain the West India sugar planter did not "go a-head" like every other manufacturer was obliged to do after the war profits had ceased, before the emancipation of the slaves, although their slops and expenses were reduced 80 per cent.

In the cotton business the writer of these lines has known articles fetch £5, which are now sold for from 12s. to 15s., and yet such a trade pays now interest and profits, on the principle of every one doing more for the same money or wages.

We admit the West India Islands have a difficult game to play: former neglect has allowed their opponents to shoot a-head of them, yet new blood and Saxon energy may yet do wonders.

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## OUTLINE OF A NEW DECIMAL SYSTEM, OR A NEW UNIVERSAL COIN.

*(A Letter to the Editor of the Morning Advertiser.)*

I have at different times tried to point out the par of exchange to your extensive number of readers, and you did me the favour of inserting a letter from me on the exchanges on the 16th December, 1850.

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the pecuniary affairs: and no steps were taken to ensure his attention and vigilance. Hence great neglect, and sometimes worse than neglect.

You will have the goodness to refer your readers to the letter in question, and they will then see that the new coin mentioned in the *Times*, the 31st July, is not fit for its office of universal circulation. Whoever purchases this coin in London will lose 11 cents in Holland, and 23 centimes in France; and in other countries, no doubt, there will be a similar difference.

If a new system of coinage is necessary, let those who undertake the arrangement begin, like the Bureau de Longitude at Paris, by finding a par of one or more coins of foreign countries. For instance:—

English.	Florins.	Francs.
5 shillings is.....	3 .....	6 34.92

You will please to observe, that the great difficulty is to find two numbers of coins of each country which exactly balance: this you have in the florin English and Dutch, viz. :—

English.	Dutch.	
	florins	cents
1 penny.....	0	5
2 pence.....	0	10
3 pence.....	0	15
4 pence.....	0	20
5 pence.....	0	25
10 pence.....	0	50
20 pence.....	1	0
5 shillings.....	3	0
10 shillings.....	6	
15 shillings.....	9	0
20 shillings..	12	0

When Napoleon took possession of Holland, an exact equal value of two numbers of coin had to be found to form a basis, and this was arranged in a manner that 800 francs was the value of 378 florins Dutch, or 800 francs was 441 florins Flemish; therefore—

Francs.	Dutch florins.	Brabant florins.	
800 0 .....	378 0 0 .....	441 0 0	
400 0 .....	189 0 0		
200 0 .....	94 50 0		
100 0 .....	47 25 0		
20 0 .....	9 25 0		
10 0 .....	4 72 50		
8 0 .....	3 78 0	It is of no use to burden the sight with so many figures.	
4 0 .....	1 98 0		
2 0 .....	0 94 50		
1 0 .....	0 47 25		
0 8 .....	0 3 78		
0 4 .....	0 1 98		
0 2 .....	0 0 94		
0 1 .....	0 0 47		0 1 32

Seeing that this system is worked out to a fraction, I would propose that this tariff should be exactly followed in England.

One English florin divided into 100 parts.	English money from one-fifth of a penny to 20d. d.	One English florin divided into 100 parts.	English money, from one-fifth of a penny to 20d. d.
$\frac{1}{2}$ .....	0 12	7 .....	1 48
1 .....	0 24	8 .....	1 72
2 .....	0 48	9 .....	1 96
3 .....	0 72	10 .....	2 00
4 .....	0 96	11 .....	2 24
5 .....	1 00	12 .....	2 48
6 .....	1 24	13 .....	2 72



One English florin divided into 100 parts.	English money, from one-fifth of a penny to 20d.	One English florin divided into 100 parts.	English money, from one-fifth of a penny to 20d.
	d.		d.
14	2 96	46	9 24
15	3 00	47	9 48
16	3 24	48	9 72
17	3 48	49	9 96
18	3 72	50	10 00
19	3 96	51	10 24
20	4 00	52	10 48
21	4 24	53	10 72
22	4 48	54	10 96
23	4 72	55	11 00
24	4 96	56	11 24
25	5 00	57	11 48
26	5 24	58	11 72
27	5 48	59	11 96
28	5 72	60	12 00
29	5 96	61	12 24
30	6 00	62	12 48
31	6 24	63	12 72
32	6 48	64	12 96
33	6 72	65	13 00
34	6 96	66	13 24
35	7 00	67	13 48
36	7 24	68	13 72
37	7 48	69	13 96
38	7 72	70	14 00
39	7 96	75	15 00
40	8 00	80	16 00
41	8 24	85	17 00
42	8 48	90	18 00
43	8 72	95	19 00
44	8 96	100	20 00
45	9 00		

100 cents 1 florin, 1 florin 20*d.* or 1*s.* 8*d.*

<i>s.</i>	<i>d.</i>		<i>fl.</i>	<i>c.</i>
1	8	.....	1	0
2	6	.....	1	50
5	0	.....	3	0
10	0	.....	6	0
15	0	.....	9	0
20	0	.....	12	0

I believe the dullest of the lower orders would understand this in one hour.

Many persons are opposed to the decimal system, from the apparent difficulty of arranging the accounts in sterling money; but this is easily surmounted. For instance, what will this sum—£100 12*s.* 1½*d.*—be in florins? Multiply the pounds by 12, the shillings by 60, the pence by 5, the halfpenny is half of 5, thus:—

£	<i>s.</i>	<i>d.</i>			florin	<i>c.</i>
100	0	0	by 12	is	1,200	0
	0	12	0 by 60	—		7 20
	0	0	1 by 5	—		0 5
	0	0	0½	—		0 2½
<hr/>						
100	12	1½			1,207	27½

As soon as all the balances have been struck off all accounts, both public and private, the amount enters into the decimal system of florins and cents, by being multiplied as here noted.\*

\* See Table, p. 105.

“Relative present values to the Claimant of the following Annuities (payable half-yearly) at divers valuations of Money invested for 40 Years, and then redeemable at the option of the State.

Annuity.	Interest at 2½ per cent.	Interest at 2⅔ per cent.	Interest at 2¾ per cent.	Interest at 2⅘ per cent.	Interest at 3 per cent.
£3 10s. on £82½, or £2 17s. 9d. per cent. .	103·375	100·310	97·454	94·808	92·071
£2 10s. on £110, or £2 15s. per cent. . . . .	110·000	104·762	100·000	95·652	91·666

“N.B.—The decimal system is inevitable; and if there be no objection to anticipate its adoption in respect of new calculations now to be imposed for 40 years in advance, then, in case the interest upon the Exchequer Bond be fixed at £2.11.1 2-10, or £2,555 per annum, the coupons might be easily drawn so as to indicate their progressive increase in value from day to day, and become negotiable without the slightest difficulty at the approximate value of the moment. This rate is precisely £007 (7 thousandth of £1) *per diem*; £007 × 365 days = £2,555 = £2.11.1 2-10.

£2.11.1 2-10	
£2.0.0	24.00 Florins
10.0	6.00 „
1.0	0.60 Cents
1	0.05 „
2-10	1 „
2.11.1 2-10 30.66	

How much more simple it would be to multiply thus by 3066 and divide by 100, than by pounds, shilling, pence, and tenths.

DECIMAL SYSTEM.—In March, 1852, your board addressed a memorial to the lords of the treasury, praying that measures might be taken for adapting the whole of our coinage to a system of decimal proportions, and that preparation might be made for the eventual application of the same system to weights and measures. The board was moved to this step, by the conviction that our present divisions of money, weights and measures, are complicated and difficult, and though fully sensible of the momentary derangement which a change to a wholly new system would entail, they feel so strong a conviction of the benefits which would soon follow the adoption of a more simple, and entirely new, mode of calculation, that they determined to call the attention of the government to the subject. Great facility would soon arise from the adoption of only two denominations of money, both in the keeping of accounts and in ordinary payments; and our actual coins would not, with the exception of copper, present much difficulty; but in the matter of weights and measures, a much greater derangement of previous habits would occur; although the ultimate advantages from the change would be even greater than in money. The inconveniences and other bad effects which spring from local weights and measures in different parts of the country, varying in different counties, and even in different portions of the same county, have arrested the attention of the legislature, and produced acts of parliament which are habitually ignored or evaded. A fundamental change in the system would alone bring about a national conformity in weights and measures, and although the change could not be effected without a prudent preparation, yet confident in the ultimate benefits that would accrue, the board asked the government to take the initiative in bringing the whole subject to the consideration of the public.—*Manchester Chamber of Commerce, Guardian, 15th July, 1852.*

The merchants of Liverpool have also expressed their opinion in favour of the decimal system, in their reports to government.

SUPPLY OF GOLD.—FOREIGN EXCHANGE.  
PROPOSED UNIVERSAL CURRENCY.

THE attention of all persons who feel an interest in the foreign commerce of Great Britain, should be directed to the operations in respect to gold during the last six months, since it is drawn to the continent of Europe by the fall in the course of foreign exchanges to the amount of above two millions sterling, in consequence of speculations in flour or corn. If, for instance, this amount has been drawn off by the fall of the exchange, at the rate of 1 franc in 25, we should prepare ourselves for an extraordinary draught of gold, particularly if the exchanges were to fall 5 francs in 25, as was the case during the last war, from 1806 to 1814. In this period, the exchange was so much against England, that gold was necessarily exported to an extent which occasioned Lord Ashburton to suggest the reduction of the standard of this country to 15s. for the pound, or 25 per cent. (see Tooke's *History of Prices*, vol. ii., p. 69). If we compare the quantity of bullion we had to represent our commerce in 1806, when our exports were about 36,000,000, how much ought we to have in order to operate upon the exchanges when our exports are 75,000,000? These 75,000,000 must be repaid to us in some shape, or foreigners will receive less, and our exports will diminish; and suppose that imports and exports should balance each other, as

they have done for some years, then if any unforeseen event should occur—such as dearth of corn, from scarcity at home and deficient harvests abroad, together with a fall in the exchanges, or political convulsions demanding new treaties for subsidies, which must be paid in gold—it becomes a question, what would 20,000,000 help us in our extended trade? We should then be compelled to try the best means of circulating a larger quantity of gold, which, for this purpose, ought to have been coined into pieces of money that would find a ready circulation through every market in the world, and such as might be easily appreciated in China and the whole of the Eastern countries. For it is known that China was drained of her gold by her trade in opium, and partly by her war payments to England. This country is, consequently, one in which a surplus quantity of gold would be received; and the most facile means of disposing of it in exchange for her produce, is to give it that form in which it will be the most easily valued by all classes: thus, for thirty years the eastern Archipelago has been familiar with Dutch gold, in coins worth five and ten florins, the circulation being facilitated by the simplicity of the decimal computation.

South America was also drained of its gold so long ago as the Peninsular war, and to such an extent, that the exchange between the Brazils and Portugal has not yet recovered from the effect; for at Rio Janeiro the differences between gold and

paper has been 101 per cent., while the fluctuation of the exchange with England fell from ninety-eight milrees in 1811-13 to nineteen in 1831, in the price of Johanna, the value of the milrei being, at par of exchange, 67 pence sterling. Johanna gold coin, R. 6,400. There is a difference between the intrinsic value of this coin and government paper of 147 per cent.\* Thus the people have to pay 147 per cent. extra for every article they buy; and to meet this, wages have advanced in proportion to the depreciation of coin.† And in that afflicted country, Buenos Ayres, the doubloon of 16 piastres in gold is quoted at variations from 260 to 270 in paper. The intrinsic value is 16 dollars per doubloon.‡

\* The intrinsic value of the Johanna or 6,400 reis, weight 4 octavos, at 77*s.* 9*d.* per ounce, is 35*s.* 7*d.*, making the gold milrei worth  $66 \frac{6}{7} \frac{400}{1875}$ , or nearly 66 $\frac{3}{4}$ . The above coin (6,400) is now (1852) current, paid, and received as 16,000, exchange being at 27=36*s.* If the same amount, say 16,000, be calculated at par of 66 $\frac{3}{4}$  per milrei, it would return 89*s.* The difference between 36*s.* and 89*s.* is 53*s.*, or, say the gold milrei is at a premium of 147  $\frac{3}{2} \frac{6}{2}$  per cent. and the paper currency is to that amount debased.—Tooke, vol. ii., p. 68.

† Montesquieu, chapter xix. “As money is the sign of value, it is clear whoever has need of it buys or borrows it in the same way in which he must, with regard to every other article he wants.”

‡ Silver was at 100 per cent. premium at Rio the 13th December, and sovereigns at 8,000 to 8,900, Spanish doubloons, 28,500, concentrated in the province of Buenos Ayres. The money market is rather unsettled; the price of doubloons ranging from 260 to 270 current dollars, with a slight upward tendency.—*Times*, December 14th, 1852.

The Spaniards and Portuguese have had so much wickedness practised upon them by their Governments, in dealing with the precious metals, for ages, and so many deceptions have been put upon the whole country, in the rise and fall of gold, during the war from 1809 to 1814, that they are now more desirous to buy gold of a known value than to coin it.

Russia, which has her gold mines, producing about 4,000,000 yearly, has generally exported it to this part of Europe; and, consequently, in the event of a disturbance of the peace, her 4,000,000 per annum would be little in her coffers for war purposes. The scarcity of gold and silver in Russia has been proverbial. It was to that extent in 1810, according to Mr. Tooke, that a rouble of the intrinsic value of 39*d.* was worth four roubles in paper; and it is to be observed, that there was also an arbitrary alteration in the Russian standard of five to one.\*

The United States it appears has absorbed the largest quantity of gold from California; and the demand will increase whenever the different states begin to pay off their national debts, which they

\* It appears that the scarcity of silver or gold was universal, for the amount of paper issued in Russia had been augmented to 577,000,000 paper roubles.

An increased *agio* on silver was the consequence, till it reached 400, that is, that a silver rouble, of the intrinsic value of thirty-nine pence sterling, exchanged for four roubles in paper.



must do honestly some day;\* for the accumulation of capital will reduce the rate of interest, and force gold into circulation. In this case, the States must continue to pay the higher rate of interest, at which they contracted their debts, or pay them off.

If, therefore, we carry our reflections round the world we shall find that most kingdoms and empires have no abundance of gold, but rather present an opening for it everywhere, but in the north of Europe; and should the least event of an adverse political nature occur, England will require millions to prevent the fall of exchanges 20 per cent., as in 1806.† On this account, it is desirable that a new coinage should be issued for facilitating the commercial dispersion of gold. I would suggest a gold coinage, the value of which, in present money, should be as follows:—of 60*d.* 0·3 florins, or 5*s.* and 6 florins, or 10*s.* in rings, in order to bring our gold quickly into universal circulation.

Abroad, these two pieces, having gradations of decimal values, will be readily adjusted to market

\* Official returns published in the *American Almanac*, for 1843, show that the total of the debts of the States in 1842, was 198,818,736 dollars; interest 7,796,888 dollars. It is apparent, then, that there has been no great reduction of these debts.

† The mercantile advices from Vienna, July, 1852, give the premium upon gold of 25½ per cent. on silver. This shows the immense quantity of gold which would be hoarded, if coins of less value were in circulation; yet this price of gold is noted as a proof of good feeling after four years of depression, when gold has been at a premium of 40 to 50 per cent.—*Times*, July, 1852.

prices, and at home, as they represent exactly known money in our duodecimal computation, will gradually but rapidly enter into accounts and ready-money transactions as decimal sums, and thus lead to a valuable and much desired reform in the computation of payments, which must considerably expedite all kinds of business. The change, introducing universal circulation, would effectually prevent our sovereigns from experiencing the fate of our guineas, which became a drug in the hands of the population of Europe and of the world. This was notably the case during the last war against Napoleon. The writer being present with the army at the Walcheren expedition to the Scheld, in 1809, has known guineas to be refused at 21s. by respectable houses, who had to remit, because plenty of good bills could be had at nine to ten guilders the pound sterling. Indeed, the history of English gold in Holland, about 1812, would appear a fable to the present generation; and this accounts for merchants not understanding the demonetising of gold by the Dutch in 1850. Should we coin three and six florin pieces, they will circulate and uphold the exchange in time of peace, when it has a tendency to run above par, as in the panic of 1847, when the exchange with Paris rose to 26 francs. With a foreign circulation, gold would return to England merely as bullion, on the same principle that English gold is exported to France when the exchange is below par, as it has been during the last months of 1852.

England is the gold market of the north of Europe as to exports, but as to imports her channels are open to all the world. A premium will be given for gold, wherever there is an adverse rise in the exchange.

Hoping for peace, let us try, by every means in our power, to pay everywhere the balance of our commerce in a coin that may find a circulation on the continent, by being in such a form as to go into the hands of the masses, without being held, as guineas were formerly, and as sovereigns are now, in the hands of bullion dealers only.

By this time it is seen that the theory of gold and foreign exchanges plays a deeper game in our national welfare than is generally understood. I have mentioned coining three and six florin pieces of gold, and would venture to suggest the plan of coining them into broad, flat rings, suitably inscribed with the proper legends. The centre would thus be perforated, and be useful in home circulation; for they could be carried on rings, with clasps of leather, gutta percha, or other material not likely to waste the gold by friction so much as metallic rings. To guard against fling, etc., a small design may be placed round the flat circumference of the perforation.

The intrinsic value of the ring of three florins or five shillings, gold £3 17s. 10½*d.*, 22 carats fine—

One pennyweight .....	3s. 10½ <i>d.</i>
7 grains .....	1 1½
	5 0

This system of rings of so low a value in gold as a few shillings, may be plain to any one. Let us suppose that the twenty-five capital towns where we have rates of exchange are each connected with 100 millions of people, and that they should consist of twenty millions of families, of five persons each. Out of the twenty million heads of families, there would not be one who would hold a guinea, but there would be five out of the twenty who would hold three florins or five shillings. And those who have seen much of foreign nations must allow, that as the people are worked upon by their sympathy and curiosity, the ring would at first attract curiosity, and afterwards be preferred for its utility.

The ring, as a coin, is not new in most of the nations of Europe. The ancient Britons used iron rings for money, according to Mr. Mackenzie, in his *Commercial Tables*. The *beah* or *beag* of gold is mentioned in very ancient Anglo-Saxon poems, and the *baugr*, which means the same, occurs twice in *Hervarar Saga*, and other ancient productions of the north. In the old Swedish ballad, *Grimhilda's Wrack*, which Dr. Jamieson translated, we read of it:—

“ Hear thou now, good ferryman,  
 Thou row me o'er the sound,  
 And I'll give thee this gold ring;  
 It weighs well fifteen pound.”

It was made by the Dutch in the eighth century, and by the successors of Charlemagne in various

parts of France, Italy, and Germany; and specimens of gold rings used as money are preserved in several northern museums.

In thus reasoning on probabilities, it is not forgotten that the laws of 1844 and 1845 have taken precautions to ensure a reserve stock of bullion in the hands of bankers who issue notes. This is perhaps just, and a mere security for the home market; but this bullion, however large, is a guarantee only for working the capital out in bank notes. It could not be rendered available in case of an extraordinary scarcity of coin, or adverse exchange from political events hostile to our commerce.

We are, therefore, not to regard cheap gold as an injury, but as a benefit, in whatever way it comes, into our coffers. We buy it with labour, and let us spend it in three and six florins by exporting those coins. Whoever will have them must give us their value in return. There are a greater number of people without money, and who understand nothing but barter, in the British possessions than in those of any other country.\*

\* A Caffre was brought before the Lord Mayor to request his lordship would get him sent back to his own country. His lordship enquired how he came to this country; his reply was that he had paid a buffalo for his passage. This proves that cattle and their hides are still signs of value in Africa as well as in other parts of the East.

## PAR OF EXCHANGE WITH FOREIGN COUNTRIES.

*(From the Morning Advertiser.)*

I have often been struck with the want of an exact value of the circulating coin of two countries, by which your readers might see at a glance, when the rate of exchange is quoted in your paper, whether it was against or in favour of England,

I believe the difficulty will be removed, if you will point out to your readers that they have only to look at the exchange upon Holland, and to study for a few moments the relative value of money of the two countries. For instance:—One pound makes twelve florins or guilders; one hundred cents, one florin or guilder. Thus:—

£	s	d					
1	0	0	is	12 florins	or	12	0 guilders
0	1	0	is	60 cents		0	60 cents
0	0	1	is	5	—	0	5 —

Now, here is an exact value or par of exchange between England and Holland — 12 florins, one pound; 60 cents, one shilling; and 5 cents, one penny. Upon examining the list of exchange, see if the rate is above or below 12. Suppose the exchange to be 12 guilders, 5 cents, it is a penny in favour of England, for you get one penny more than 12 florins for your pound. Now, suppose the exchange is, as at present, 11 guilders 72½ cents, you get only 19s. 10½d.; you lose 7½ cents or 1½d. in the pound. If this par between England and

Holland is once perfectly understood, there is no difficulty in coming to the par of France. Thus:—

PAR OF EXCHANGE				German florins*	
				120—60 kr. 1 fl.	100—50 kr. Dutch 1 fl.
£	s.	d.	guil. c.	fr. c. parts	fl. kr.
1	0	0	= 12 00	Dutch = 25 39 20	= 12 0 0
0	10	0	6 0 —	12 69 60	6 0 0
0	1	8	1 0 —	2 11 64	0 60 0
0	1	0	0 60 —	1 26 96	0 36 0
0	0	8	0 40 —	0 84 64	0 24 0
0	0	4	0 20 —	0 42 32	0 12 0
0	0	2	0 10 —	0 21 16	0 6 0
0	0	1	0 5 —	0 10 58	0 3 0
0	0	0½	0 1 —	0 2 12	0 1 0

Here are three denominations of money of three different kingdoms. The two first work out without a fraction over on either side. With respect to the value of Dutch money, it was calculated by the Board of Longitude in Paris to form a tariff, at which price all coins should be received into the Imperial Treasury from Holland, Belgium, the Bishoprick of Liege, Aix la Chapelle, Julliers, and Cologne, during the occupation of those countries by France.

You will please to observe in those seven countries the value of the coin remains always the same. If bills are circulated from either of the seven countries, it is always noted a quarter per cent. loss or more if bills are plentiful; a quarter per cent. profit if bills are wanted. Therefore, if bills are a commodity like coffee or sugar in those

\* That is, 100 florins Dutch of 100 cents kreuzers, is equal to 100 florins German of 60 each. See Tariff Table, p. 105.

seven countries, why not in seven kingdoms? However, if the loss is too much by having too few bills, then gold is called in to fill the balance, and if gold raise bills to too high a premium, the silver is collected for export, but much more slowly than gold. You will remark, the intrinsic value of each coin has nothing to do with the exchanges on the Continent, or those countries which have a vitiated currency, as Prussia; they would be ruined if their neighbours would take their coin at the intrinsic value only, when the intrinsic value is twenty to thirty per cent. below its current value. Should there be a great convulsion, as when the French issued the Berlin decrees, the bills of exchange would be thrown out, and no commercial transaction could take place without difficulty, except with gold and silver alone. This creates such a demand, that in 1806, 1807, and 1808, gold rose to £5 the ounce, and silver nearly as much; this brought down the exchange with England from twelve guilders par to seven guilders. You could purchase a bill of £100 at the rate of eleven shillings and eightpence per pound sterling, for which you received in England £100 in notes. Thousands of Treasury bills were remitted to be placed in the English funds at a profit of nearly forty-five per cent. Many fortunes of foreign houses, both in London, Holland, and Germany, have their origin in this manner. Although Treasury bills were sold at so low a rate, to supply English money for the subsidies to the powers in



Germany, the price of gold rose 25 per cent., yet I have remarked that the exchanges—Paris and Amsterdam, Frankfort and Hamburg—remained stationary during this period. Bringing this subject to the present time, and seeing the convulsions in Germany the last two years, can you wonder that the exchanges have fallen below par? Here is the empire of Austria obliged to cut her 20 pence bank notes into halves and quarters, one of which I send you. The Bank of Vienna does its utmost to furnish gold and silver for the troops, but it is no sooner circulated in the hands of the population than each hides as much silver as he can, and gold and silver are at a premium of 42 to 50 per cent.

The war in Germany has destroyed the credit which German houses had in London, Paris, and Amsterdam. This has produced this effect, that all holders have reduced their stock of foreign produce, coffee, sugar, India cotton, twists, etc. The demand upon England for bills has diminished, and the exports have increased and more bills offered. Thus the exchange has fallen below twelve florins, which I look upon as par.

Should the decimal system be established, the par of exchange with Holland, Frankfort, etc., will be thus: London will give a florin certain—for a florin uncertain.

Above par	. . .	1 . . .	2 pence	. . .	1·10
Ditto	. . .	1 . . .	1 penny	. . .	1·05
LONDON PAR	. . .	1 florin	Amsterdam	. . .	1·00
Below par	. . .	1 . . .	1 penny	. . .	0·95
Ditto	. . .	1 . . .	2 pence	. . .	0·90

## THEORY OF ANNULAR COINAGE.



The theory of coinage must be simplified by casting out of it the consideration of the manner in which our money will be received by the neighbouring nations. For they will take it only as bullion, and if the balance of money be against us, or if it must be made good by gold and silver, it is most expedient that it should be done by the plain metal, which will cost nothing in the coinage.

“ Let the weight of the coins be so reduced as to prevent their being affected by variations in the price of bullion; and let the workmanship be of the most exquisite kind that the artists of this country can effect. By these means the destruction of the money by melting would be prevented, and the possibility of counterfeiting will be confined to workmen of the highest order, who will rarely be tempted to fraud by the pressure of want.

“ Let the standard of fineness be continued as heretofore, because few foreigners are able to judge with accuracy of the nature of alloy, but every man can weigh the coins, and therefore the diminution in that respect will be open to the examination of all. Let the money be made smaller in diameter, and of greater thickness than it is present, in order

to allow a higher relief to the impression, and to prevent the loss of weight by wearing, which is in a great degree according to the extent of surface. This will allow the edges to be defended by the impression of a legend."— *Locke on Coinage, R. Ruding, third edition, pp. 126, 127.*

GOLD COIN IN AMERICA.

40 dollars.	2½ dollars.
20. „	1. „ 1 dwt. 1 gr.
10 „	½ „ 0 „ 10½ „ in
5 „	California.*

### CONDITIONS OF FORMING MINTS IN AUSTRALIA.

*Copy of Treasury Minute, Dated March 22nd, 1853.*

MY LORDS have before them the whole of the correspondence relating to the produce of the Gold-fields of New South Wales and Victoria, and the proposal to establish branches of the Royal Mint in those colonies; and they more particularly advert to the correspondence noted in the margin.

A petition to Her Most Gracious Majesty the Queen from the Legislative Council of New South Wales, dated on the 19th of December, 1851, praying that Her Majesty would exercise her prerogative by the establishment of a branch of Her

	dwt. gr.
* The proposed ring of 5 shillings, 22 karats, weighs	1 7
The American dollar is smaller . . . . .	1 1
The half-dollar will be . . . . .	0 10½

This last, in intrinsic value, would be about 2s. 1d.

Royal Mint at Sydney, was forwarded to Earl Grey, Her Majesty's Principal Secretary of State for Colonial Affairs, by Governor Fitzroy, on the 16th of January, 1852.

Meanwhile some of the principal Bankers and other persons connected with New South Wales in the city of London, had suggested the adoption of the same measure to Earl Grey, who, after communicating with this Board, informs Governor Fitzroy by a despatch, dated on the 20th of February, 1852, that if after consulting with his Executive Council, he should report that it was desirable to establish a Mint at Sydney, and that the expense of doing so could be provided for without inconvenience to the colony, his lordship would be prepared to take the requisite steps for that purpose; it being understood that the Mint so established would be regulated by Her Majesty in Council, and would be considered subordinate to the Royal Mint in this country, and would be framed for the sole purpose of coining Gold. Lord Grey at the same time forwarded to Governor Fitzroy a report from the Master of the Mint, furnishing two estimates, one for the Mint consisting of a single press worked by animal power, capable of coining five millions of pieces annually, the estimated cost of which, including the building, was £10,000; and the other for a Mint comprising three presses, worked by steam, of a capacity calculated for the coinage of all the probable yield of gold in Australia, and costing in all £30,000.

In reply to this despatch, Governor Fitzroy forwarded to Earl Grey, on the 12th of August, 1852, a minute of proceedings of his Executive Council, dated 26th of July, 1852, in which he expressed his entire concurrence.

The Executive Council states in this minute that, after giving to this question all the consideration which its importance demanded, they had arrived at the conclusion that the establishment of a branch Mint would be of the greatest advantage to the interests of the colony.

With respect to the scale on which the proposed Mint should be established, the Council were of opinion that the larger establishment detailed in Sir John Herschel's report should be undertaken, assuming that it was the intention of Her Majesty's Government to establish at Sydney, as the seat of the general government of the Australian colonies, a single Mint for the whole of those colonies; and the Council then proceeded to describe the detailed practical arrangements recommended by them, with a view to the establishment at the earliest practicable period of a branch of the Royal Mint at Sydney, on the above mentioned hypothesis that there would be only one Mint for all the Australian colonies, and that such Mint would be at Sydney.\*

The Executive Council stated, in conclusion, that

\* The Government has reserved the ordering of the coin in the colonies as to form weights and devices, this would be a favorable opportunity to introduce rings.

on receiving the final decision of Her Majesty's Government on this matter, the local Government would be prepared to make immediately the necessary remittances for the cost of the machinery and tools, and the expense of the conveyance to the colony of the part of the establishment which the Council proposes should be selected in this country by the Master of the Mint.

In the meantime my Lords will be prepared to deal with the application of the several colonies as they arise; and, in the framing regulations on the subject, will stipulate for such conditions and restrictions only as are necessary on the imperial consideration.

These are as follows:—

- 1st. There must be no charge actual or prospective on the British Treasury.
- 2nd. There must be an absolute central control carried to such a point that Her Majesty's Government may be enabled fully to satisfy themselves in regard to the use to be made of the Queen's effigy, the fineness and weight of the coin to be issued from the local Mints according to its denomination, and the impression to be stamped upon it.

In order to carry the principles into effect, my Lords would recommend the adoption of measures of which the following is a general outline.

When it is determined to establish a Mint in any one colony, the necessary arrangements shall

be provided under the authority of an order of the Queen in Council, which shall constitute such Mint as a branch of and subordinate to the Royal Mint, and prescribe the duties and functions of the principal officers to be appointed to conduct it. The orders shall contain provisions for the coinage and issue therefrom of such coins as Her Majesty may authorise to be struck, from dies to be furnished by the Master of the Mint in London. It shall contain precise directions as to the fineness and weight of the coin to be struck, which shall correspond in these respects with the coin of the realm. In order to ensure this correspondence, the order shall provide for the transmission to this country from time to time, at the expense of the colony, of a certain proportion of the coins struck at the branch Mint, selected in a prescribed manner, that they may be assayed and tested by the Master of the Mint, whose reports to this Board shall be communicated to the Governor. The order shall leave to the Governor in Council of the colony such power of directions as to the issue of the coins, and as to the regulations of the establishment, as shall be consistent with the foregoing fundamental rules. It shall take effect in the colony from such time as may be fixed by proclamation of the Governor, and it shall give power to the Governor to close or suspend the operations of the Mint by proclamation.

The principal officers shall be appointed by the crown, and shall hold their appointments during

pleasure, and subject to such orders as may be issued by the Governor in Council respecting the continuance of the Mint. The warrant of appointment of the deputy master or superintendent shall direct him to obey the instructions of the Governor in all matters which are not provided for by the order in Council, or by direction founded thereon by the Master of the Mint with the sanction of this Board. To provide against illness the principal officers shall be empowered to nominate deputies with the sanction of the Governor; and in case of the death of any of those officers, the Governor shall have power to appoint successors to them provisionally, until Her Majesty's pleasure shall be known.

As the motive for the establishment of the proposed Mints is for the coinage of the gold found in Australia, it will not be requisite to make provision at present for striking any other description of coin; but the Mints, when established, will be available for any coinage which Her Majesty may direct, if a necessity for it should arise.

With regard to the gold coins, as they will not, under the laws of the United Kingdom, be legal tender in this country, it will be necessary that they should be stamped in such a manner as may render them distinguishable at sight from the coins of the realm, with which, however, as above provided, they will be identical in fineness, weight, and denomination. With a view to this object,



and also to render each establishment responsible for the integrity of its coins, the particular local Mint from which they are issued should be legibly denoted on the coin. My Lords, however, conceive that it would not be expedient to confine their circulation to the colony in which they may be issued, but that they should have general currency throughout the colonies of Australasia.

When the devices of the coins shall have been determined, it will be proper to issue a proclamation by the Queen, describing them and specifying the denominations for which they shall pass current in the said colonies, so long as they shall continue of legal weight. It will be expedient also by the same or a separate proclamation to authorise, as by the law in force in the United Kingdom, the cutting and defacing of any coin of deficient weight which shall be tendered for payment. These proclamations should be promulgated in the several Australian colonies previously to the issue of any coins from the Mints.

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## MINT IN THE UNITED STATES.

*(American Almanac, 1853.)*

It is lawful for any person or persons to bring to the Mint gold and silver bullion to be coined; and the bullion so brought is there assayed and coined,

as speedily as may be after the receipt thereof, and, if of the standard of the United States, free of expense to the person or persons by whom it has been brought. But the treasurer of the mint is not obliged to receive, for the purpose of refining and coining, any deposit of less value than 100 dollars, nor any bullion so base as to be unsuitable for minting. And there must be retained from every deposit of bullion below the standard, such sum as shall be equivalent to the expense incurred in refining, toughening, and alloying the same; an accurate account of which expense, on every deposit, is kept, and of the sums retained on account of the same, which are accounted for by the treasurer of the mint with the treasurer of the United States.

*Officers of the Mint at Philadelphia.*

	Salary.		Salary.
Geo. N. Eckert, <i>Director</i> ....	\$3,500	James C. Booth, <i>Melter and Refiner</i> .....	\$2,000
Edward C. Dale, <i>Treasurer</i> ..	2,000	Jas. B. Longacre, <i>Engraver</i> ..	2,000
Franklin Peale, <i>Chief Coiner</i>	2,000	W. E. Dubois, <i>Assist. Assayer</i>	1,500
Jacob R. Eckfeldt, <i>Assayer</i> ..	2,000		

*Officers of the Branch at New Orleans, La.*

Robt. M. McAlpin, <i>Superint.</i>	\$2,500	Augustus Devall, <i>Coiner</i> ....	\$2000
Howard Millsbaugh, <i>Assayer</i>	2,000	William De Buys, <i>Treasurer</i>	4,000
M.F. Bonzano, <i>Melter &amp; Refin.</i>	2,000		

*Officers of the Branch at Dahlonega, Ga.*

A. W. Redding, <i>Superintend.</i>	\$2,000	Robert H. Moore, <i>Coiner</i> ....	\$1,500
M. F. Stephenson, <i>Assayer</i> ..	1,500		

*Officers of the Branch at Charlotte, N.C.*

J. W. Osborne, <i>Superintend.</i>	\$2,000	Emmor Graham, <i>Coiner</i> ....	\$1,500
J. H. Gibbon, <i>Assayer</i> .....	1,500		

1. *Statement of the Deposits for Coinage, at the Mint of the United States and its Branches, in the Year 1851.*

GOLD.		
Coins of the United States, old standard . . . .	\$ 14,245·39	
Foreign Coins . . . . .	685,491·17	
United States Bullion . . . . .	56,540,611·18	
Foreign Bullion . . . . .	182,241·23	
Total of Gold . . . . .		\$57,422,588·97
SILVER.		
United States Bullion . . . . .	389,470·86	
Foreign Bullion . . . . .	105,428·89	
Foreign Coins . . . . .	230,281·42	
Total of Silver . . . . .		725,181·17
Total of Gold and Silver . . . . .		\$58,147,770·14

2. *Statement of the Coinage of the Mint of the United States and its Branches in the Year 1851.*

Denominations.	Pieces.	Value.	Denominations.	Pieces.	Value.
<b>GOLD.</b>			<b>Gold and Copper</b>		
Double Eagles . .	2,402,155	\$48,043,100·50	Coins . . . . .	18,615,008	\$62,714,127·93
Eagles . . . . .	439,328	4,393,280	<b>SILVER.</b>		
Half Eagles . . . .	530,391	2,651,955	Dollars . . . . .	1,300	1,300
Quarter Eagles . .	1,546,935	3,867,337·50	Half-Dollars . . .	602,750	301,375
Dollars . . . . .	3,658,820	3,658,820	Quarter-Dollars	248,000	62,000
Total Gold . . . .	8,577,629	62,614,492·50	Dimes . . . . .	1,426,500	142,650
<b>COPPER.</b>			Half-Dimes . . . .	1,641,000	82,050
Cents . . . . .	9,889,707	98,897·07	Three Cents . . .	6,167,400	185,022
Half-Cents . . . .	147,672	738·36	Total . . . . .	10,086,950	774,397·00
Total Copper . .	10,037,379	\$99,635·43	Total Coinage	28,701,958	\$63,488,524·93

Up to September 30, 1852, \$136,747,935 of Californian gold had been received at the Mint and branches. From Jan. 1, 1852, to Sept. 30, 1852, 1,603,217 double eagles, 232,084 eagles, 559,602 half-eagles, 1,036,295 quarter-eagles, and 1,674,687 gold dollars were coined. The total gold coinage in value for the 9 months was \$41,448,614.50; silver, \$609,650; copper, \$39,122.61. The whole number of pieces coined in the nine months was 22,008,246. Value, \$42,097,387.11.

3. *Coinage of the Mint of the United States, from 1792, including the Coinage of the Branch Mints from the Commencement of their Operations, in 1838.*

Years.	GOLD.	SILVER.	COPPER.	WHOLE COINAGE.	
	Value.	Value.	Value.	No. of Pieces.	Value.
1793—95	\$71,485.00	\$370,683.80	\$11,373.00	1,834,420	\$453,541.80
1796	102,727.50	79,077.50	10,324.40	1,219,370	192,129.40
1797	103,422.50	12,591.45	9,510.34	1,095,165	125,524.29
1798	205,610.00	330,291.00	9,797.00	1,368,241	545,698.00
1799	213,285.00	423,515.00	9,106.68	1,365,681	645,906.68
1800	317,760.00	224,296.00	29,279.40	3,337,972	571,335.40
1801	422,570.00	74,758.00	13,628.37	1,571,390	510,956.37
1802	423,310.00	58,343.00	34,422.83	3,615,869	516,075.83
1803	258,377.50	87,118.00	25,203.03	2,780,830	370,698.53
1804	258,642.50	100,340.50	12,844.94	2,046,839	371,827.94
1805	170,367.50	149,388.50	13,483.48	2,260,361	333,239.48
1806	324,505.00	471,319.00	5,260.00	1,815,409	801,084.00
1807	437,495.00	597,448.75	9,652.21	2,731,345	1,044,595.96
1808	284,665.00	684,300.00	13,090.00	2,935,888	982,055.00
1809	169,375.00	707,376.00	8,001.53	2,861,834	884,752.53
1810	501,435.00	638,773.50	15,660.00	3,056,418	1,155,868.50
1811	497,905.00	608,340.00	2,495.95	1,649,570	1,108,740.95
1812	290,435.00	814,029.50	10,755.00	2,761,646	1,115,219.50
1813	477,140.00	620,951.50	4,180.00	1,755,331	1,102,295.50
1814	77,270.00	561,687.50	3,578.30	1,833,850	642,535.80
1815	3,175.00	17,308.00		69,867	20,483.00
1816		28,575.75	28,209.82	2,888,135	56,785.57
1817		607,783.50	39,484.00	5,163,967	647,267.50
1818	242,940.00	1,070,454.50	31,670.00	5,537,084	1,345,064.50
1819	258,615.00	1,140,000.00	26,710.00	5,074,723	1,425,325.00
1820	1,319,030.00	501,680.70	44,075.50	6,492,509	1,864,786.20
1821	189,325.00	825,762.45	3,890.00	3,139,249	1,018,977.45
1822	88,980.00	805,806.50	20,723.39	3,813,788	915,509.89
1823	72,425.00	895,550.00		2,166,485	967,975.00
1824	93,200.00	1,752,477.00	12,620.00	4,786,894	1,858,297.00
1825	156,385.00	1,564,583.00	14,926.00	5,178,760	1,735,894.00
1826	92,245.00	2,002,090.00	16,334.25	5,774,434	2,110,679.25
1827	131,565.00	2,869,200.00	23,557.32	9,097,845	3,024,342.32
1828	140,145.00	1,575,600.00	25,636.24	6,196,853	1,741,381.24
1829	295,717.50	1,994,578.00	16,580.00	7,674,501	2,306,875.50
1830	643,105.00	2,495,400.00	17,115.00	8,357,191	3,155,620.00
1831	714,270.00	3,175,600.00	33,603.60	11,792,284	3,923,473.60
1832	798,435.00	2,579,000.00	23,620.00	9,128,387	3,401,055.00
1833	978,550.00	2,759,000.00	28,160.00	10,307,790	3,765,710.00
1834	3,954,270.00	3,415,002.00	19,151.00	11,637,643	7,388,423.00
1835	2,186,175.00	3,443,003.00	39,489.00	15,996,342	5,668,667.00
1836	4,135,700.00	3,606,100.00	23,100.00	13,719,333	7,764,900.00
1837	1,148,305.00	2,096,010.00	55,583.00	13,010,721	3,299,898.00
1838	1,809,595.00	2,333,243.00	53,702.00	15,780,311	4,206,540.00
1839	1,355,885.00	2,189,296.00	31,286.61	11,811,594	3,576,467.61
1840	1,675,302.50	1,726,703.00	24,627.00	10,558,240	3,426,632.50
1841	1,091,597.50	1,132,750.00	15,973.67	8,811,968	2,240,321.17
1842	1,834,170.50	2,332,750.00	23,833.90	11,743,153	4,190,754.40
1843	8,108,797.50	3,834,750.00	24,283.20	4,640,582	11,967,830.70
1844	2,230.00	2,235,550.00	23,987.52	9,051,834	7,687,767.52
1845	3,756,447.50	1,873,200.00	38,948.04	1,806,196	5,668,595.54
1846	4,034,177.00	2,558,580.00	41,208.00	10,133,515	6,633,965.00
1847	20,221,385.00	2,374,450.00	61,836.69	15,392,344	22,657,671.69
1848	3,775,512.50	2,040,050.00	64,157.99	12,649,790	5,879,720.49
1849	9,007,761.50	2,114,950.00	41,984.32	12,666,659	11,164,695.82
1850	31,981,733.50	1,866,100.00	44,467.50	14,588,220	33,892,201.00
1851	62,614,492.50	774,397.00	99,635.43	28,701,958	63,488,524.93
Total ..	179,945,427.50	78,221,961.90	1,395,846.45	399,238,087	258,563,235.85

TABLE SHEWING THE COST OF PRODUCING MUSCOVADO SUGAR, AND THE QUANTITY PRODUCED OR AVAILABLE IN THE SEVERAL COUNTRIES MENTIONED, AS MADE UP FROM THE EVIDENCE GIVEN BEFORE THE COMMITTEE ON SUGAR AND COFFEE PLANTATIONS.

COUNTRY.	Average cost of production under slavery or compulsory labour.		Average cost of production under freedom.		Average available produce under slavery or compulsory labour, for the supply of Europe and the United States.	Average available produce during the last three years of freedom, for the supply of Europe and the United States.	Cost of producing one cwt. of sugar at present date, exclusive of interest on capital, etc.	Excess of cost of free labour over slave or compulsory labour, taking the average cost of the latter at 11s. per cwt.	Excess of cost of free over SLAVE TRADE labour, taking the cost in Brazil at 7s. 6d. per cwt. making the average of slave-trade labour 8s. per cwt.	Increase of cost in the British plantations since emancipation.
	s.	d.	s.	d.	Tons.	Tons.	s.	d.	s.	d.
British Plantations.										
Antigua .....	7	6	16	6	7,767	8,963	16	6	8	6
Barbadoes ... ..	6	0	15	6	17,174	16,378	15	6	7	6
Grenada .....	11	0	17	6	9,634	3,779	17	6	9	6
St. Kitts ... ..	5	0	19	0	4,382	5,558	19	0	11	0
St. Vincent.....	5	6	19	6	10,056	6,636	19	6	11	6
Tobago .....	5	6	19	6	5,321	2,514	19	6	11	6
St. Lucia, etc. ....	5	6	19	6	9,600	8,650	19	6	11	6
Jamaica .....	10	0	22	6	68,626	30,807	22	6	14	6
Guiana. ....	6	8	25	10	44,178	24,817	25	10	17	10
Trinidad* .....	3	0	20	10	15,428	16,539	20	10	12	10
Mauritius .....	..		20	0	35,000	50,000	20	0	12	0
Bengal.....	..		23	0	..	62,000	23	0	15	0
Madras.....	..		20	0	..	7,000	20	0	12	0
Foreign Free-Labour Country.										
Europe (Beet-root)†	..		24	4	..	100,000	24	4	16	4
Foreign Slave, or Compulsory-Labour Countries.										
Java ‡ .....	15	0	..		88,000	..	15	0	..	..
French Colonies ....	15	0	..		90,000	..	15	0	..	..
Cuba (Muscovado)..	8	0	..		220,000	..	8	0	..	..
Porto Rico.....	8	6	..		40,000	..	8	6	..	..
Louisiana .....	12	6	..		100,000	..	12	6	..	..
Brazils § .....	11	11	..		90,000	..	11	11	..	..

\* This cost of producing sugar in Trinidad, as taken from the averages given in Lord Harris's despatches, is lower than the averages given by the witnesses before the Committee.

† This beet-root sugar sells, in the continental markets, on account of its inferior quality, at about 4s. to 6s. per cwt. below Colonial Muscovado, so that Colonial Muscovado must be about 33s. per cwt. to enable beet sugar to sell in this market for cost and charges, and allowing no profit to the beet sugar maker.

‡ The cost of producing sugar in Java is taken at the average between the Government contract sugar, and the free sugar, as given by Mr. San Martin.

§ The cost of producing sugar in Brazil is taken from the Consular return: this return has given no credit for rum or molasses, and has charged 6s. 5d. for manufacturing, fully 3s. 5d. more than the cost in Cuba, — allowance for these two items would give 7s. 6d. as the nett cost per cwt.

## SILVER COIN.

As 1 : 20s. :: 20s. 3½d. : 1·013.

Years.	Regnal Years.	Mint value of 1 Pound.		Proportion to present money.	Years.	Regnal Years.	Mint value of 1 lb. of Silver.		Proportion to present money.
		s.	d.				s.	d.	
1066	Conquest ....				1545	36 Hen. VIII.	51	9½	2·588
1280	8 Edw. I. ....	20	3½	1·013	1546	37 „	55	6	2·775
1300	28 „ ....				1547	1 Edw. VI. ..	55	6	2·775
1344	18 Edw. III.	20	3½	1·013	1549	3 „	59	2½	2·951
1349	23 „	22	8	1·133	1551	5 „	4	9½	0·232
1356	30 „	25	9½	1·289	—	„	—	—	—
1394	18 Ric. II. ..	25	9½	1·289	—	„	—	—	—
1401	3 Hen. IV. ...	25	9½	1·289	1552	6 „	59	3½	2·963
1421	9 Hen. V. ....	30	11½	1·590	—	„	—	—	—
1425	4 Hen. VI. ...	30	11½	1·590	1553	1 Mary .....	59	6½	2·993
1464	4 Edw. IV. ...	35	2½	1·759	1560	2 Eliz. ....	58	6	2·966
1465	5 „ ..	35	2½	1·759	—	„	—	—	—
1470	49 Hen. VI. ..	37	10½	1·893	1600	43 „	60	0	3·000
1482	22 Edw. IV.	38	4¾	1·919	—	„	—	—	—
1483	1 Ric. III. ...	38	4¾	1·919	1604	2 Jas. I. ....	59	6	2·990
1485	1 Hen. VII.	38	4¾	1·919	1626	2 Chas. II. ..	60	0	3·000
1502	1 Hen. VIII.	38	11½	1·945	1666	13 Chas. II. ..	62	0	3·100
1527	20 „	38	11½	1·945	1717	39 Geo. I. ....	62	0	3·100
—	„	44	0	2·200	1816	56 Geo. III.	62	0	3·100
—	„					Geo. IV. ....	—	—	1·000
1543	31 „	44	4¾	2·219		Victoria. ....	—	—	—

## GOLD COIN.

*Mint value of 1lb. weight Standard Gold, Troy weight, and Proportion to present Money.*

As. 1 : £46 14s. 5d. :: £12 10s. 0d. : 0·2675.

As. 1 : £12 10s. 0d. :: £46 14s. 6d. : 7038.

Years.	Regnal years.	Equal to Mint value of standard gold.	Propor- tions to present money.		Years.	Regnal years.	Equal to Mint value of 1lb. standard gold.	Propor- tions to present money.	
		£ s. d.					£ s. d.		
1344	18 Edw. I...	12 10 0	·2675	3·7038	1546	37 Hen. VIII.	27 10 0	·5886	1·2972
1349	23 „ ....	13 3 9	·2822	3·5747	1547	1 Edw. VI...	31 7 0	·6709	1·4896
1356	30 „ ....	14 8 4	·3087	3·2121	1549	3 „ ..	33 0 0	·7062	1·4151
1394	18 Ric. II....	14 9 11	·3102	3·2231	1551	5 „ ..			
1401	3 Hen. IV...	14 9 11	·3102	3·2231	—	„ ..			
1421	9 Hen. V....	16 2 9	·3453	2·8954	—	„ ..			
1425	4 Hen. VI...	16 1 11	·3445	2·9029	1552	6 „ ..			
1464	4 Edw. IV...	18 0 5	·3857	2·5928	—	„ ..	32 17 2	·7032	1·4246
1465	5 „ ....	21 1 10	·4514	2·2169	1553	1 Mary.....			
1470	49 Hen. VI...	21 9 7	·4597	2·1754	1566	2 Eliz. ....	32 16 0	·7010	1·4237
1482	22 Edw. IV...	21 15 0	·4655	2·1471	—	„ ..			
1483	1 Ric. III. ..	21 15 0	·4655	2·1471	1600	43 „ ..	33 0 0	·7062	1·4151
1485	1 Hen. VII..	21 15 0	·4655	2·1471	—	„ ..	35 14 6	·7646	1·3078
1509	1 Hen. VIII.	22 0 0	·4708	2·1227	1604	2 Jas. I. ....	39 18 7	·8546	1·1702
1527	18 „	22 0 0	·4708	2·1227	1626	2 Chas. I....	44 10 0	·9524	1·0494
—	„	—	—	—	1666	18 Chas. II..	46 14 6	1·0000	1·0000
—	„	24 19 6	·5345	1·8705	1717	3 Geo. I. ....	46 14 6	1·0000	1·0000
1543	34 „	26 8 0	·5650	1·3441	1816	56 Geo. III. ..	46 14 6	1·0000	1·0000
1545	36 „	27 10 0	·5886	1·2972	—	—	—	—	—

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Present English Money.			German Kreuzers.	Dutch or New English.	Belgian or French Money.	English Sterling Money.	New English or Dutch.	Belgian or French Money.		
£	s.	d.	krs.	fl. cts.	fr. c. 100 c.	£	s.	d.	fl. c.	fr. c. 100 c.
				0 1	0 2 12	0 2 0	1 20		2 53	87
				0 2	0 4 23	0 3 0	1 80		3 80	94
				0 4	0 8 47	0 4 0	2 40		5 07	92
0	0	1	3	0 5	0 10 58	0 5 0	3 00		6 34	90
				0 6	0 12 70	0 6 0	3 60		7 62	08
				0 8	0 16 93	0 7 0	4 20		8 89	06
0	0	2	6	0 10	0 21 16	0 8 0	4 80		10 16	94
				0 12	0 25 40	0 9 0	5 40		11 42	02
				0 14	0 29 63	0 10 0	6 00		12 69	84
				0 16	0 33 86	0 12 0	7 20		15 23	81
				0 18	0 38 10	0 14 0	8 40		17 77	78
0	0	4	12	0 20	0 42 33	0 16 0	9 60		20 31	75
				0 22	0 46 56	0 18 0	10 80		22 85	71
				0 24	0 50 79	1 0 0	12 00		25 39	68
				0 26	0 55 03	1 2 0	13 20		27 93	65
				0 28	0 59 26	1 4 0	14 40		30 47	62
0	0	6	18	0 30	0 63 49	1 6 0	15 60		33 01	59
				0 32	0 67 72	1 8 0	16 80		35 55	56
				0 34	0 71 96	1 10 0	18 00		38 09	52
				0 36	0 76 19	1 12 0	19 20		40 63	49
				0 38	0 80 42	1 14 0	20 40		43 17	46
0	0	8	24	0 40	0 84 66	1 16 0	21 60		45 71	43
				0 42	0 88 89	1 18 0	22 80		48 25	40
				0 44	0 93 12	2 0 0	24 0		50 79	36
				0 46	0 97 35	3 0 0	36 0		76 19	05
				0 48	1 01 59	4 0 0	48 0		101 58	73
0	0	10	30	0 50	1 05 82	5 0 0	60 0		126 98	41
0	1	0	36	0 60	1 26 98	6 0 0	72 0		152 38	10
0	1	4	48	0 80	1 69 31	7 0 0	84 0		177 77	78
0	1	8	60	1 00	2 11 64	8 0 0	96 0		203 17	46
						9 0 0	108 0		228 57	14
						10 0 0	120 0		253 96	82

It must be remarked that the florin of *1s. 8d.*, or 12 florins to the pound sterling, would be of the same value as the coins of the following kingdoms and states:—Holland, Bavaria, Wurtemberg, Baden, Hesse Oldenburg, Nassau, Sax Coburg, Holenzaller, Frankfort, Austria, out of Lombardy, Switzerland; also, an exact proportion of 378 florins to 800 francs. (See page 73, for France and Belgium.)



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