

Discourses Upon Trade

Dudley North

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- A Discourse Concerning Abatement of Interest
 - Arguments for Abatement of Interest are many, viz.
 - A Discourse of Coyned Money
 - Postscript.

Discourses Upon Trade; Principally Directed to the Cases of the
Interest, Coynage, Clipping, Increase of Money

A Discourse Concerning Abatement of Interest

Arguments for Abatement of Interest are many, viz.

I. When Interest is less, Trade is encourag'd, and the Merchant can be a Gainer; whereas, when it is great, the Usurer, or Money-owner takes all.

II. The Dutch, with who Interest is low, Trade cheaper, and under-sell us.

III. Land falls in value, as Interest riseth.

With divers others, whereof the Facts may be true, but proceed from another Cause, and conduce nothing to the purpose for which they are alledg'd.

I shall not formally apply myself to answer all the Arguments and Discourses, that commonly are found in Pamphlets, and Conversation upon this Subject; as if I were to Advocate the Cause of Interest: But give my thoughts impartially in the whole matter, with regard to the Profit of the whole Nation, and to no particular Persons project: Wherein I hope to propose, that which may resolve any doubt that can be raised, and leave every one to apply it, as they think fit.

The Question to be considered is, Whether the Government have reason by a Law, to prohibit the taking more than 4 l. per cent Interest for Money lent, or to leave the Borrower and Lender to make their own Bargains.

In the Disquisition of this, many things are to be considered, and particularly such as relate to Trade, of which a true Notion will set right a World of Mistakes, wherefore that now shall be chiefly treated of.

Trade is nothing else but a Commutation of Superfluities; for instance: I give mine, what I can spare, for somewhat of yours, which I want, and you can spare.

Thus Trade, whilst it is restrained within the limits of a Town, Country, or Nation, signifieth only the Peoples supplying each other with Conveniences, out of what that Town, Country, or Nation affords.

And in this, he who is most diligent, and raiseth most Fruits, or maketh most of Manufactory, will abound most in what others make, or raise; and consequently be free from Want, and enjoy most Conveniences, which is truly to be Rich, altho' there were no such thing as Gold, Silver, or the like amongst them.

Mettals are very necessary for many Uses, and are to be reckon'd among the Fruits and Manufactories of the World. And of these, Gold and Silver being by nature very fine, and more scarce than others, are higher prized; and a little of them is very reasonably esteem'd equal in value with a great quantity of other Mettals, etc. For which reason, and moreover that they are imperishable, as well as convenient for easie stowage and removal, and not from any Laws, they are made a Standard, or common Measure to deal with; and all Mankind concur in it, as every one knows, therefore I need not enlarge further in this matter.

Now it is to be consider'd, that Mankind being fallen into a way of commuting in this manner, to serve their occasions, some are more provident, others more profuse; some by their Industry and Judgment raise more Fruits from the Earth, than they consume in supplying their own occasions; and then the surplus remains with them, and is Property or Riches.

And Wealth thus contracted, is either commuted for other Mens Land (supposing all Men to have had some) or massed up in heaps of Goods; be the same of Mettals, or anything valuable. And those are the Rich, who transmit what they have to their Posterity; whereby particular Families become rich; and of such are compounded Cities, Countries, Nations, etc.

And it will be found, that as some particular Men in a Town grow richer, and thrive better than others; so also do Nations, who by Trade serving the occasions of their Neighbours, supply themselves with what they have occasion for from abroad; which done, the rest is laid up, and is Silver, Gold, etc. for as I said, these being commutable for everything, and of small bulk, are still prefer'd to be laid up, till occasion shall call them out to supply other Necessaries wanted.

Now Industry and Ingenuity having thus distinguish'd Men into Rich and Poor; What is the consequence? One rich Man hath Lands, not only more than he can manage, but so much, that letting them out to others, he is supplied with a large over-plus, so needs no farther care.

Another rich Man hath Goods; that is, Mettals, Manufactures, etc. in great quantity, with these he serves his own occasions, and then commutes the rest in Trade; that is, supplies others with what they want, and takes in exchange what they had of, beyond their own occasions, whereby managing cunningly, he must always advance.

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Now as there are more Men to Till the Ground than have Land to Till, so also there will be many who want Stock to manage; and also (when a Nation is grown rich) there will be Stock for Trade in many hands, who either have not the skill, or care not for the trouble of managing it in Trade.

But as the Landed Man lets his Land, so these still let their Stock; this latter is call'd Interest, but is only Rent for Stock, as the other is for Land. And in several Languages, hiring of Money, and Lands, are Terms of common use; and it is so also in some Countries in England.

Thus to be a Landlord, or a Stock-lord is the same thing; the Landlord hath the advantage only in this: That his Tenant cannot carry away the Land, as the Tenant of the other may the Stock; and therefore Land ought to yield less profit than Stock, which is let out at the greater hazard.

These things consider'd, it will be found, that as plenty makes cheapness in other things, as Corn, Wool, etc. when they come to Market in greater Quantities than there are Buyers to deal for, the Price will fall; so if there be more Lenders than Borrowers, Interest will also fall; wherefore it is not low Interest makes Trade, but Trade increasing, the Stock of the Nation makes Interest low.

It is said, that in Holland Interest is lower than in England. I answer, It is; because their Stock is greater than ours. I cannot hear that they ever made a law to restrain Interest, but am certainly informed, that at this day, the Current Interest between Merchant and Merchant, when they disburse Money for each others Account, is 6 per cent and the Law justifies it.

I allow Money is many times lent at 3 and 4 per cent but it is upon Mortgages, out of which the State hath a Duty, and by the course of Titles there, such dealing is perfectly safe; and this is still by private consent and agreement, and not by coercion and order of Law. The like often happens here, when poor Widows and Orphans purchase the Security of their Livelihoods, and punctual Payment, by lending at small Interest, to such as need not the Money.

It might not be amiss in this place, to say somewhat of the Publick Banks that are in Foreign Parts, as Amsterdam, Venice etc. but that is a Subject I have not time to dilate upon: I shall only say, that it is a cunning way of supplying the government once with a great Sum; and as long as the Government stands, it is no loss to them that have the Credit, nor no great Inconveniency; for all Bills of Exchange are made by Law payable in Bank, and not otherwise; for Dealers in Exchanges it is best that way, and such as want their Money, find no difficulty in selling their Credits, the price of which riseth and falleth according to Demanders, as of other things.

I do not understand that true, two Banks pay any Interest; it is true there are several Funds, viz. The Mint in Venice, and the Chamber in Amsterdam, with several others in those and other Cities, where Money is put out at Interest for Lives, and several other ways, and at different Rates, more or less, according to the Credit these Funds have, which are the Security; and these may, by mistake, be called the Banks, which they are not, being only such as the Chamber of London, East-India-House, etc. were.

I do not believe, but the Usurer, according to the saying, will take half a Loaf, rather than no bread: But I avert, that high Interest will bring Money out from Hoards, Plate, etc. into Trade, when low interest will keep it back.

Many Men of great Estates, keep by them for State and Honour, great Quantities of Plate, Jewels, etc. which certainly they will be more inclin'd to do, when Interest is very low, than when it is high.

Such as have nothing to subsist by, but the Interest of Money, must either let it out, or Trade with it themselves, and be contented with what they can get; but that hinders not, but very many other Men, who are rich, and not so prest, may if Interest be very low, choose to make use of their Stocks in Jewels, Plate, etc. rather than run the hazards and be at the trouble of dealing with necessitous and knavish Men, such as many Borrowers are, for inconsiderable gains.

So that it cannot be denied, but the lowering of Interest may, and probably will keep some Money from coming abroad into Trade; whereas on the contrary, high Interest certainly brings it out.

Next is to be considered, that Dealings between Borrowers and Lenders are of two kinds: 1. Upon Mortgage, or Pawn. 2. Upon Personal Security, and that either by single Bond, or with Sureties; all which, as they differ in goodness, so ought in reason to bear different Prizes. Shall any Man be bound to lend a single Person, upon the same Terms, as others lend upon Mortgages, or Joynt Obligations?

Then again it is to be considered, that the Moneys employed at Interest in this Nation, are not near the Tenth part, disposed to Trading People, wherewith to manage their Trades; but are for the most part lent for the

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supplying of Luxury, and to support the Expence of Persons, who though great Owners of Lands, yet spend faster than their Lands bring in; and being loath to sell, choose rather to mortgage their Estates.

So that in truth an Ease to Interest, will rather be a Support to Luxury, than to Trade; the poor Trading Man, who hath but a narrow Stock, or none at all, supplies himself by buying Goods of rich Men at time, and thereby pays Interest, not at the rate of 5, 6 or 8, but 10, 12, and more per cent. And this is not in the Power of any Legislature to prevent, or remedy.

It may be said, let him take Money at Interest, and not buy at Time. But then Men must be found, that will lend; the Legislative must provide a Fund to borrow upon.

The Trade of setting out Ships, runs very much upon this course, wherein it is usual to Bum'em (as they call it) at 36 per cent. And this cannot be remedied; and if it were, it would be a stop, as well to the Building, as the setting out of many Ships; whereby, after all, not only the publick, but the private Persons concern'd are Gainers for the most part.

Thus when all things are considered, it will be found best for the Nation to leave the Borrowers and the Lender to make their own Bargains, according to the Circumstances they lie under; and in so doing you will follow the course of the wise Hollanders, so often quoted on this account: and the consequences will be, that when the Nation thrives, and grows rich, Money will be to be had upon good terms, but the clean contrary will fall out, when the Nation grows poorer and poorer.

Let any one Answer me, why do not the Legislators in those poor Countries, where Interest is at 10 12 per cent, make such Laws to restrain Interest, and reduce it for the good of the People? If they should attempt it, it wou'd soon appear, that such Laws would not be effectual to do it. For when there are more Borrowers than Lenders, as in poor Countries, where if a rich Man hath 100 l. to dispose, and there are four, five or more Men striving for it; the Law would be evaded by underhand Bargains, making Loans in Goods, drawing Bills, and a thousand Ways beside; which cannot be prevented.

It is probable that when Laws restrain Interest of Money, below the Price, which the Reason of Trade settles, and Traders cannot (as we will suppose) evade the Law, or not without great difficulty, or hazard, and have not Credit to borrow at Legal Interest, to make, or increase their Stock; so much of Trade is lopt off; and there cannot be well a greater obstruction to diminish Trade than that would be. The consideration of all these Matters, makes out an universal Maxime, That as more Buyers than Sellers raiseth the price of a Commodity, so more Borrowers than Lenders, wil raise Interest.

And the State may with as much Justice make a Law that Lands which heretofore have been Lett for 10 s. per Acre, shall not now be Lett above 8 s. per Acre, as that Money, or Stock, from 5 per cent shall be Lett for 4 per cent the Property being as good, and as much the Substance of the Kingdom in the one, as in the other.

I will not say any thing to the Theological Arguments against Interest of Moneys: by those 3 per cent is no more lawful, than 4, or 12. but this I shall maintain Politically, that if you take away Interest, you take away Borrowing and Lending. And in consequence the Gentry, who are behind hand, be it for what cause soever, must sell, and cannot Mortgage; which will bring down the Price of Land. And the Trader whatever his skill is, if he hath no Stock, must either sit still, or buy at Time, which is Interest under another Name. And they who are poor, will always be so, and we should soon relapse into the state of One Thousand Years ago.

And whereas the Stock of the Nation is not reckon'd great, let it be fairly valued, and it will be found much less than it seems to be; for all the Monies that are owing upon Land Securities, must be struck off, and not estimated; or else you will have a wrong Account; for if a Gentleman of 500 l. per Annum, owes 800 l. and you value his Land, and the Lender's Stock both, you make an account of the same thing twice.

And whereas we make great Accounts of Money'd Men in the Nation, in truth there are but few; for suppose all that have lent upon Mortgage, had Land for their Moneys, as indeed in strictness of Law they have, there wou'd be but few Money'd Men in the Nation left. The borrowing of Money of one, to pay another, call'd, Robbing of Peter to pay Paul, so much practis'd now—a—days, makes us think the Nation far richer than it is.

A Discourse of Coyned Money

In the former Discourse, it hath been already made appear, that Gold and Silver for their scarcity, have obtained in small quantities, to equal in value far greater quantities of other Metals, etc. And farther, from their easie Removal, and convenient Custody, have also obtained to be the common Measure in the World between Man and Man in their dealings, as well for Land, Houses, etc., as for Goods and other Necessaries.

For the greater Improvement of this convenience, and to remove some Dificulties, which would be very troublesome, about knowing quantities and qualities in common and ordinary dealing: Princes and States have made it a matter of Publick concern, to ascertain the Allay, and to determine the Weights, viz. the quantities of certain Pieces, which we call Coyn, or Money; and such being distinguish'd by Stamps, and Incriptions, it is made difficult, and highly Penal to Counterfeit them.

By this means the Trade of the World is made easie, and all the numerous species of several Commodities have a common Measure. Besides the Gold and Silver being thus coyned into Money, and so become more useful for Commerce than in the Log or Block, hath in all places, except in England since the free Coynage, reasonably obtained a greater value than it had before: and that not only above the real charge of making it so, but is become a State-Revenue (except as before) tho' not very great. Whereas if Silver coyned and uncoyned bore the same rate, as it doth with us in England, where it is coyned at the Charge of the Publick, it will be lyable frequently to be melted down, as I shall shew anon.

Money being thus the Common Measure of Buying and Selling, every body who hath any thing to sell, and cannot procure Chapmen for it, is presently apt to think, that want of Money in the Kingdom, or Country is the cause why his Goods do not go off; and so, want of Money, is the common Cry; which is a great mistake, as shall be shewn. I grant all stop in Trade proceeds from some cause; but it is not from the want of specifick Money, there being other Reasons for it; as will appear by the following Discourse.

No Man is richer for having his Estate all in Money, Plate, etc. lying by him, but on the contrary, he is for that reason the poorer. That man is richest, whose Estate is in a growing condition, either in Land at Farm, Money at Interest, or Goods in Trade: If any man, out of an humour, should turn all his Estate into Money, and keep it dead, he would soon be sensible of Poverty growing upon him, whilst he is eating out of the quick stock.

But to examine the matter closer, what do these People want, who cry out for Money? I will begin with the Beggar; he wants, and importunes for Money: what would he do with it if he had it? buy Bread, etc. Then in truth it is not Money, but Bread, and other Necessaries for Life that he wants. Well then, the Farmer complains, for the want of Money; surely it is not for the Beggar's Reason, to sustain Life, or pay Debts; but he thinks that were more Money in the Country, he should have a Price for his Goods. Then it seems Money is not his want, but a Price for his Corn, and Cattel, which he would sell, but cannot. If it be askt, if the want of Money be not, what then is the reason, why he cannot get a price? I answer, it must proceed from one of these three Causes.

1. Either there is too much Corn and Cattel in the Country, so that most who come to Market have need of selling, as he hath, and few of buying: Or, 2, There wants the usual vent abroad, by Transportation, as in time of War, when Trade is unsafe, or not permitted. Or, 3, The Consumption fails, as when men by reason of Poverty, do not spend so much in their Houses as formerly they did; wherefore it is not the increase of specifick Money, which would at all advance the Farmers Goods, but the removal of any of these three Causes, which do truly keep down the Market.

The Merchant and Shop-keeper want Money in the same manner, that is, they want a Vent for the Goods they deal in, by reason like the Markets fail, as they will always upon any cause, like what I have hinted. Now to consider what is the true source of Riches, or in the common Phrase, plenty of Money, we must look a little back, into the nature and steps of Trade.

Commerce and Trade, as hath been said, first springs from the Labour of Man, but as the Stock increases, it dilates more and more. If you suppose a Country to have nothing in it but the Land it self, and the Inhabitants; it is plain that at first, the People have only the Fruits of the Earth, and Metals raised from the Bowels of it, to Trade withal, either by carrying out into Foreign Parts, or by selling to such as will come to buy of them, whereby they may be supplied with the Goods of other Countries wanted there.

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In process of time, if the People apply themselves industriously, they will not only be supplied, but advance to a great overplus of Foreign Goods, which improv'd, will enlarge their Trade. Thus the English Nation will sell unto the French, Spaniards, Turk, etc. not only the product of their own Country, as cloath, Tin, Lead, etc. but also what they purchase of others, as Sugar, Pepper, Callicoes, etc. still buying where Goods are produc'd, and cheap, and transporting them to Places where they are wanted, making great advantage thereby.

In this course of Trade, Gold and Silver are in no sort different from other Commodities, but are taken from them who have Plenty, and carried to them who want, or desire them, with as good profit as other Merchandizes. So that an active prudent Nation groweth rich, and the sluggish Drones grow poor; and there cannot be any Policy other than this, which being introduc'd and practis'd, shall avail to increase Trade and Riches.

But his Proposition, as single and plain as it is, is seldom so well understood, as to pass with the generality of Mankind; but they think by force of Laws, to retain in their Country all the Gold and Silver which Trade brings in; and thereby expect to grow rich immediately: All which is a profound Fallacy, and hath been a Remora, whereby the growing Wealth of many Countries have been obstructed.

The Case will more plainly appear, if it be put of a single Merchant, or if you please to come nearer the point, of a City or County only.

Let a Law be made, and what is more, be observ'd, that no Man whatsoever shall carry any Money out of a particular Town, County, or Division, with liberty to carry Goods of any sort: so that all the Money which every one brings with him, must be left behind, and none be carried out.

The consequence of this would be, that such Town, or County were cut off from the rest of the Nation; and no Man would dare to come to Market with his Money there; because he must buy, whether he likes, or not: and on the other side, the People of that place could not go to other Markets as Buyers, but only as Sellers, being not permitted to carry any Money out with them.

Now would not such a Constitution as this, soon bring a Town or County to a miserable Condition, with respect to their Neighbours, who have free Commerce, whereby the Industrious gain from the slothful and luxurious part of Mankind? The Case is the same, if you extend your thought from a particular Nation, and the several Divisions, and Cities, with the Inhabitants in them, to the whole World, and the several Nations, and Governments in it. And a Nation restrained in its Trade, of which Gold and Silver is a principal, if not an essential Branch, would suffer, and grow poor, as a particular place within a Country, as I have discoursed. A Nation in the World, as to Trade, is in all respects like a City in a Kingdom, or Family in a City.

Now since the Increase of Trade is to be esteem'd the only cause that Wealth and Money increase, I will add some farther Considerations upon that subject.

The main spur to Trade, or rather to Industry and Ingenuity, is the exorbitant Appetites of Men, which they will take pains to gratifie, and so be disposed to work, when nothing else will incline them to it; for did Men content themselves with bare Necessaries, we should have a poor World.

The Glutton works hard to purchase Delicacies, wherewith to gorge himself; the Gamerster, for Money to venture at Play; the Miser, to hoard; and so others. Now in their pursuit of those Appetites, other Men less exorbitant are benefitted; and tho' it may be thought few profit by the Miser, yet it will be found otherwise, if we consider, that besides the humour of every Generation, to dissipate what another had collected, there is benefit from the very Person of a covetous Man; for if he labours with his own hands, his Labour is very beneficial to them who employ him; if he doth not work, but profit by the Work of others, then those he sets on work have benefit by their being employed.

Countries which have sumptuary Laws, are generally poor; for when Men by those Laws are confin'd to narrower Expence than otherwise they would be, they are at the same time discouraged from the Industry and Ingenuity which they would have employed in obtaining wherewithal to support them, in the full latitude of Expence they desire.

It is possible Families may be supported by such means, but then the growth of Wealth in the Nation is hindered; for that never thrives better, then when Riches are tost from hand to hand.

The meaner sort seeing their Fellows become rich, and great, are spurr'd up to imitate their Industry. A Tradesman sees his Neighbour keep a Coach, presently all his Endeavours is at work to do the like, and many times is beggered by it; however the extraordinary Application he made, to support his Vanity, was beneficial to the Publick, tho' not enough to answer his false Measures as to himself.

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It will be objected, That the Home Trade signifies nothing to the enriching a Nation, and that the increase of Wealth comes out of Forreign Trade.

I answer, That what is commonly understood by Wealth, viz. Plenty, Bravery, Gallantry, etc. cannot be maintained without Forreign Trade. Nor in truth, can Forreign Trade subsist without the Home Trade, both being connected together.

I have toucht upon these matters concerning Trade, and Riches in general, because I conceive a true Notion of them, will correct many common Errors, and more especially conduce to the Proposition I chiefly aim to prove; which is, that Gold and Silver, and, out of them, Money are nothing but the Weights and Measures, by which Traffick is more conveniently carried on, then could be done without them: and also a proper Fund for a surplusage of Stock to be deposited in.

In confirmation of this, we may take Notice, That Nations which are very poor, have scarce any Money, and in the beginnings of Trade have often made use of something else; as Sueden hath used Copper, and the Plantations, Sugar and Tobacco, but not without great Inconveniencies; and still as Wealth hath increas'd, Gold and Silver hath been introduc'd, and drove out the others, as now almost in the Plantations it hath done.

It is not necessary absolutely to have a Mint for the making Money plenty, tho' it be very expedient; and a just benefit is lost by the want of it, where there is none; for it hath been observed, that where no Mints were, Trade hath not wanted a full supply of Money; because if it be wanted, the Coyn of other Princes will become currant, as in Ireland, and the Plantations; so also in Turkey, where the Money of the Country is so minute, that it is inconvenient for great Payments; and therefore the Turkish Dominions are supplied by almost all the Coyns of Christendom, the same being currant there.

But a country which useth Forreign Coyns, hath great disadvantage from it; because they pay strangers, for what, had they a Mint of their own, they might make themselves. For Coyned Money, as was said, is more worth than Uncoyned Silver of the same weight and allay; that is, you may buy more Uncoyned Silver, of the same fineness with the Money than the Money weighs; which advantage the Stranger hath for the Coynage.

If it be said, That the contrary sometimes happens, and coyned Money shall be current for less than Bullion shall sell for. I answer, That where-ever this happens, the Coyned Money being undervalued, shall be melted down into Bullion, for the immediate Gain that it had from it.

Thus it appears, that if you have no Mint whereby to increase your Money, yet if you are a rich People, and have Trade, you cannot want Specifick Coyn, to serve your occasions in dealing.

The next thing to be shewed is, That if your Trade pours in never so much Money upon you, you have no more advantage by the being of it Money, than you should have were it in Logs, or Blocks; save only that Money is much better for Transportation than Logs are.

For when Money grows up to a greater quantity than Commerce requires, it comes to be of no greater value, than uncoyned Silver, and will occasionally be melted down again.

Then let not the care of Specifick Money torment us so much; for a People that are rich cannot want it, and if they make none, they will be supplied with the Coyn of other Nations; and if never so much be brought from abroad or never so much coyned at home, all that is more than waht the Commerce of the Nation requires, is but Bullion, and will be treated as such; and coyned Money, like wrought Plate at Second hand, shall sell but for the Intrinsick.

I call to witness the vast Sums that have been coyned in England, since the free Coynage was set up; What is become of it all? no body believes it to be in the Nation, and it cannot well be all transported, the Penalties for so doing being so great. The case is plain, it being exported, as I verily believe little of it is, the Melting-Pot devours all.

The rather, because that Practice is so easie, profitable, and safe from all possibility of being detected, as every one knows it is. And I know no intelligent Man who doubts, but the New Money goes this way.

Silver and Gold, like other commodities, have their ebbings and flowings: Upon the arrival of Quantities from Spain, the Mint commonly gives the best price; that is, coyned Silver, for uncoyned Silver, weight for weight. Wherefore is it carried into the Tower, and coyned? not long after there will come a demand for Bullion, to be Exported again: If there is none, but all happens to be in Coyn, What then? Melt if down again; there's no loss in it, for the Coyning cost the Owners nothing.

Thus the Nation hath been abused, and made to pay for the twisting of straw, for Asses to eat. If the Merchant

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were made to pay the price of the Coynage, he would not have sent his Silver to the Tower without Consideration; and coyned Money would always keep a value above uncoyned Silver: which is now so far from being the case, that many times it is considerably under, and generally the King of Spain's Coyn here is worth One penny per Ounce more than our New Money.

This Nation, for many Years last past, hath groaned, and still groans under the abuse of clipt Money, which with respect to their Wisdom, is a great Mistake; and the Irish whom we ridicule so much, when in Peace, would not be so gulled, but weighed their (Pieces of Eight) Cobbs, as they call them, Piece by Piece; this Errour springs from the same source with the rest, and needs no other Cure than will soon result from Non-currency. Whereof I shall set down my thoughts.

There is great fear, that if clipt Money be not taken, there will be no Money at all. I am certain, that so long as clipt Money is taken, there will be little other: And is it not strange, that scarce any Nation, or People in the whole World, take diminisht Money by Tale, but the English?

What is the reason that a New Half-crown-piece, if it hath the least snip taken from the edge, will not pass; whereas an Old Half-crown clipt to the very quick, and not intrinsically worth Eighteen Pence, shall be currant?

I know no reason, why a Man should take the one, more than the other; I am sure, that if New Money should pass clipt, there would soon be enough served so. And I do not in the least doubt, unless the currency of clipt Money be stopt, it will not be very long before every individual piece of the Old Coyne be clipt.

And if this be not remedied, for fear of the Evil now, how will it be born hereafter, when it will be worse? surely at length it will become insupportable, and remedy itself as Groats have done; but let them look out, in whose time it shall happen; we are all shoving the Evil-Day as far off as may be, but it will certainly come at last.

I do not think the great Evil is so hard to be remedied, nor so chargeable as some have judged; but if rightly managed, it may be done with no intolerable loss, some there will be, and considerable; but when I reflect where it will fall, I cannot think it grievous.

The general Opinion is, That it cannot be done otherwise, then by calling in of all the Old Money, and changing of it, for doing which the whole Nation must contribute by a general Tax; but I do not approve of this way, for several Reasons.

For it will be a matter of great trouble, and will require many hands to execute, who will expect, and deserve good pay; which will add to the Evil, and increase the Charge of the Work; and the Trust of it, is also very great, and may be vastly abused.

Now before I give any Opinion for the doing this think, let some estimate be made of the loss, wherein I will not undertake to compute the Total, but only how the same may fall out in One Hundred Pound: There may be found in it Ten Pound of good New Money, then rests Ninety Pound; and of that I will suppose half to be clipt Money, and half good; so there will be but Five and Forty, in One Hundred Pounds, whereupon there will be any loss; and that will not surely be above a Third part: so I allow 15 l. per cent for the loss by clipt Money, which is with the most, and in such Computes, it is safest to err on that side.

Now in case it should be thought fit, that the King should n all the Receipts of the Publick Revenue, forbid the taking of clipt Coyn, unless the Subject were content to pay it by weight at 5 s 2 d per Ounce, every Piece being cut in Two, (which must be expecially and effectually secured to be done) I grant it would be a great surprize, but no great cause of Complaint when nothing is required, but that the Publick Revenue may be paid in lawful English Money.

And those who are to make Payments, must either find good Money, or clip in two their cropt Money, and part with it on such terms; by this example it would likewise be found, that in a short time, all Men would refuse clipt Money in common Payment.

Now let us consider, where the loss would light, which I have estimated to be about 15 per cent.

We are apt to make Over-estimates of the Quantities of current Money; for we see it often, and know it not again; and are not willing to consider how very a little time it stays in a place; and altho' every one desires to have it, yet none, or very few care for keeping it but they are forthwith contriving to dispose it; knowing that from all the Money that lies dead, no benefit is to be expected, but it is a certain loss.

The Merchant and Gentleman keep their Money for the most part, with Goldsmiths, and Scriveners; and they, instead of having Ten Thousand Pounds in Cash by them, as their Accounts shew they should have, of other Mens ready Money, to be paid at sight, have seldom One Thousand in Specie; but depend upon a course of Trade,

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whereby Money comes in as fast as it is taken out: Wherefore I conclude, that the Specifick Money of this Nation is far less than the common Opinion makes.

Now suppose all the loss by clipt Money should happen and fall where the Cash is, it would be severe in very few Places. It could do no great harm to Hoards of Money; because those who intend to keep Money, will be sure to lay up that which is good. It would not signifie much to the poor Man for he many times hath none; and for the most part, if he hath any, it is very little, seldome Five Shillings at a time. The Farmer is supposed to pay his Landlord, as fast as he gets Money; so it is not likely he should be catcht with much: Wherefore it will light chiefly upon Trading Men, who may sometimes be found with Hundreds by them; and frequently not with many Pounds. Those who happen to have such grest Cashes at such time would sustain loss.

In short, clipt Money is an Evil, that the longer it is born with, the harder will the Cure be. And if the Loss therein be lain on the Publick, (as Common Project is) the Inconveniencies are (as hath been shewed) very great; but in the other way of Cure it is not such a terrible Grievance, as most men have imagined it would be.

So to conclude, when the Reasons, which have been hastily and confusedly set down, are duly considered, I doubt not but we shall joyn in one uniform Sentiment: That Laws to hamper Trade whether Forreign, or Domestick, relating to Money, or other Merchandizes, are not Ingredients to make a People Rich, and abounding in Money, and Stock. But if Peace be procured, easie Justice maintained, the Navigation not clogg'd, the Industrious encouraged, by indulging them in the participation of Honours, and Imployment in the Government, according to their Wealth and Characters, the Stock of the Nation will increase, and consequently Gold and Silver abound, Interest be easie, and Money cannot be wanting.

Postscript.

Upon farther Consideration of the Foregoing Matters, I think fit to add the following Notes.

When a Nation is grown Rich, Gold, Silver, Jewels, and every thing useful, or desirable, (as I have already said) will be plentiful; and the Fruits of the Earth will purchase more of them, than before, when People were poorer: As a fat Oxe in former Ages, was not sold for more Shillings, than now Pounds. The like takes place in Labourers Wages, and every thing whatever; which confirms the Universal Maxim I have built upon, viz. That Plenty of any thing makes it cheap.

Therefore Gold and Silver being now plentiful, a Man hath much more of it for his labour, for his Corn, for his Cattle, etc. then could be had Five Hundred Years ago, when, as must be owed, there was not near so much by many parts as now.

Notwithstanding this, I find many, who seem willing to allow, that this Nation at present, abounds with Gold and Silver, in Plate and Bullion; but are yet of Opinion, That coyned Money is wanted to carry on the Trade, and that were there more Specifick Money, Trade would increase, and we should have better Markets for every thing.

That this is a great Error, I think the foregoing Papers makes out: but to clear it a little farther, let it be considered, that Money is a Manufacture of Bullion wrought in the Mint. Now if the Materials are ready, and the Workmen also, 'tis absurd to say, the Manufacture is wanted.

For instance: Have you Corn, and do you want Meal? Carry the Corn to the Mill, and grind it. Yes; but I want Meal, because others will not carry their Corn; and I have none: say you so; then buy Corn of them, and carry it to the Mill your self. This is exactly the case of Money. A very rich Man hath much Plate, for Honour and Show; whereupon a poorer Man thinks, if it were coyned into Money, the Publick, and his self among the rest, would be the better for it; but he is utterly mistaken; unless at the same time you oblige the rich Man to squander his new coyn'd Money away.

For if he lays it up, I am sure the matter is not mended: if he commutes it for Diamonds, Pearl, etc. the Case is still the same; it is but changed from one hand to another; and it may be the Money is dispatcht to the Indies to pay for those Jewels: then if he buys Land, it is no more than changing the hand, and regarding all Persons, except the Dealers only, the Case is still the same. Money will always have an Owner, and never goeth a Beggar for Entertainment, but must be purchast for valuable consideration in solido.

If the use of Plate were prohibited, then it were a sumptuary Law, and, as such, would be a vast hindrance to the Riches and Trade of the Nation: for now seeing every Man hath Plate in his House, the Nation is possess'd of a solid Fund, consisting in those Mettals, which all the world desire, and would willingly draw from us; and this in far greater measure than would be, if Men were not allowed that liberty. For the poor Tradesman, out of an ambition to have a Piece of Plate upon his Cupboard, works harder to purchase it, than he would do if that humour were restrain'd as I have said elsewhere.

There is required for carrying on the Trade of the Nation, a determinate Sum of Specifick Money, which varies, and is sometimes more, sometimes less, as the Circumstances we are in requires. War time calls for more Money than time of Peace, because every one desires to keep some by him, to use upon Emergences; not thinking it prudent to rely upon Moneys currant in dealing, as they do in times of Peace, when Payments are more certain.

This ebbing and flowing of Money, supplies and accommodates itself, without any aid of Politicians. For when Money grows scarce, and begins to be hoarded, then forthwith the Mint works, till the occasion be filled up again. And on the other side, when Peace brings out the Hoards, and Money abounds, the Mint not only ceaseth, but the overplus of Money will be presently melted down, either to supply the Home Trade, or for Transportation.

Thus the Buckets work alternately, when Money is scarce, Bullion is coyn'd; when Bullion is scarce, Money is melted. I do not allow that both should be scarce at one and the same time; for that is a state of Poverty, and will not be, till we are exhausted, which is besides my subject.

Some have fancied, that if by a Law the Ounce of Silver were restrained to 5 s. value, all dealings, and at the Tower the same were coyned into 5 s 4 d or 5 s 6 d per Ounce, all the Plate in England would soon be coyned. The answer to this, in short is: That the Principle they build upon is impossible. How can any Law hinder me from giving another Man, what I please for his Goods? The Law may be evaded a thousand ways. As be it so: I must

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not give, nor he receive above 5 s per Ounce for Silver; I may him 5 s and present him with 4 d or 6 d more; I may give him Goods in barter, at such, or greater profit; and so by ohter contrivances, ad Infinitum.

But put case it took effect, and by that means all the Silver in England were coyned into Money; What then? would any one spend more in Cloaths, Equipages, Housekeeping, etc. then is done? I believe not; but rather the contrary: For the Gentry and Commonalty being nipt in their delight of seeing Plate, etc. in their Houses, would in all probability be dampt in all other Expences: Wherefore if this could be done, as I affirm it cannot, yet instead of procuring the desired effect, it would bring on all the Mischiefs of a sumptuary Law.

Whenever the Money is made lighter, or baser in allay, (which is the same thing) the effect is, that immediatly the price of Bullion answers. So that in reality you change the Name, but not the thing: and whatever the difference is, the Tenant and Debtor hath it in his favor; for Rent and Debts will be paid less, by just so much as the intrinsick value is less, then what was to be paid before.

For example: One who before received for Rent or Debt, 3 l 2 s could with it buy twelve Ounces, or a Pound of Sterling Silver; but if the Crown-piece be worse in value than now it is, by 3 d I do averr, you shall not be able to buy a Pound of such Silver under 3 l 5 s but either directly, or indirectly it shall cost so much.

But then it is said, we will buy an Ounce for 5 s because 'tis the Price set by the Parliament, and no body shall dare to sell for more. I answer, If they cannot sell it for more, they may coyn it; And then what Fool will sell an Ounce of Silver for 5 s when he may coyn it into 5 s 5 d?

Thus we may labour to hedge in the Cuckow, but in vain; for no People ever yet grew rich by Policies; but it is Peace, Industry, and Freedom that brings Trade and Wealth, and nothing else.

Finis.