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The Rise of the Gold Standard, 1660-1819

1717 December 31

Anonymous communication to Sir Isaac Newton in response to the publication, on the previous day, of Newton's report of the 21st of September to the Lords Commissioners of His Majesty's Treasury. As the editors duly noted, this letter illustrates the interest elicited by Newton's paper on the gold and silver coinage of the kingdom and perhaps also the extent of Newton's reputation.

Sir, Your Representation to the Treasury concerning the Coin of this Kingdom, which was printed in the daily Courant of yesterday, is so judicious, instructive, and Satisfactory, that it deserves equal thanks, as admiration, and attention, and so far as I am able to judge of it, a standing Rule may be formed from it for regulating, and proportioning our Species at all times; For, as we are to watch other Nations do in that respect and govern out selves accordingly, in the proportions between Gold, and Silver, and in putting a value upon each of them, you furnish with a method for adjusting that, with all ease, and plainness, and upon that acco[un]t (I presume) you proposed to lower Gold at present; Whether it will contribute to bring in Silver from abroad, or bring out what may be hoarded at home, or cause our Gold to be exported is yet too early to determine; but if some information may be credited, it is, that a great quantity has been carried away since the Proclamation, and particularly to Holland, where the profit 1½ per Cent by carrying Guineas thither before they were reduced here, and then one cannot wonder that they should thither now that they are lower'd by Authority, which the profit near 4 per Cent upon them; But this being happen'd since the date of your paper, you cannot be said to be answerable for it, nor for others not considering the Rule you have laid down, so as to apply it to this raising of Gold in Holland; But instead of enlarging on this particular, I shall proceed to that part of your paper, which shews the watchful Eye you had on some privates wags [*sic*] to raise both Gold, and Silver to the prejudice of the public, as receiving Scotch Dollars at 5 *sh*: and Moeders at 28 *sh*: both which were stopt on your representing it to the Treasury, and this seems to imply, how much it lyses in the Treasury to regulate momey-matters by timely interposing their Authority with Receivers, and other Officers of Revenue, for as these are directed to take, or refuse money, so will other people thro the Nation take their measures, and be governed in all negotiations; which brings to mind the bad State our Coin was in by being clipt, and counterfeit to a great degree, and in the most notorious manner, which you cannot but remember, as well as the Millions it cost the Nation to retrieve the mischief: Now Every one knows that the Scandalous pass which money was then brought to, did not happen all of a sudden and at once, but came to it by degrees, and in Several years, Suppose therefore, that the then Treasury (and you know who was at the head of it) had interposed when they perceived it, and as early as they might have done, and had given proper directions About it to the Receivers of the Revenue, One might imagine, it would have put a stop to it, as easily as there was once put to Dollars, and Moeders, and then if this had been done properly those Millions (at least a great deal thereof) might have been saved, If I am mistaken in this point, I hope you will set me right, I have often consider'd it, and could never be perswaded but the Treasury might have done exceeding much to have stopt (if not

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prevented) that pernicious practice of clipping and debasing Coin and thus I leave it with you; with adding one thing more which is about our paper-money (or Credit) the increasing or restraining which, seems equally to be in the power of the Treasury, as the Silver, and Gold Species, That it is increased, is not to be deny'd, But whether this increase is so good for the nation, is another consideration, and at this time seems to be well worth it, as it does, whether this increase has not been some cause of our being so much in want of Silver, and whether, if paper money be suffer'd so to multiply, and be not soon restrained it may not be some occasion of an equal want of Gold? You are an able Judge of these matters, and your Opinion of all of them will oblige a great many people, but I being wholly unknown to you, I cannot desire it otherwise, than in the way (which was in print) that your Representation came to the hands of Sr., Your most humble Servant, M.M.

Source: Hall and Tilling, eds., 1976, no. 1271, pp. 426-427, from the original in the Mint Papers II, fol. 121.