

Report of the Secretary of the Treasury, on the subject of a MINT.

(CONTINUED.)

THE difference established by custom in the United States between coined gold and coined silver, has been stated upon another occasion, to be nearly as 1 to 15.6. This, if truly the case, would imply that gold was extremely over-valued in the United States; for the highest actual proportion in any part of Europe, very little, if at all, exceeds 1 to 15; and the average proportion throughout Europe is probably not more than about 1 to 14.5. But that statement has proceeded upon the idea of the ancient dollar. One penny-weight of gold of 22 carats fine at 6s. 8d. and the old Seville piece of 386 grains and 15 mites of pure silver at 7s. 6d. furnish the exact ratio of 1 to 15.622. But this does not coincide with the real difference between the metals, in our market, or which is with us the same thing, in our currency. To determine this, the quantity of fine silver in the general mass of the dollars now in circulation, must afford the rule. Taking the rate of the late dollar of 374 grains, the proportion would be as 1 to 15.11—Taking the rate of the newest dollar, the proportion would then be as 1 to 14.87. The mean of the two would give the proportion of 1 to 15 very nearly; less than the legal proportion in the coins of Great-Britain, which is as one to 15.2; but somewhat more than the actual or market proportion, which is not quite 1 to 15.

The preceding view of the subject does not indeed afford a precise or certain definition of the present unit, in the coins, but it furnishes data, which will serve as guides in the progress of the investigation. It ascertains at least, that the sum in the money of account of each State corresponding with the nominal value of the dollar in such State corresponds also with 24 grains and 6-8 of a grain of fine gold, and with something between 368 and 374 grains of fine silver.

The next enquiry towards a right determination of what ought to be the future money unit of the United States turns upon these questions—Whether it ought to be peculiarly attached to either of the metals, in preference to the other or not; and, if to either, to which of them?

The suggestions and proceedings hitherto have had for object the annexing of it emphatically to the silver dollar. A resolution of Congress of the 6th July, 1785, declares that the money unit of the United States shall be a dollar; and another resolution of the 8th of August, 1786, fixes that dollar at 375 grains and 54 hundredths of a grain of fine silver. The same resolution, however, determines, that there shall also be two gold coins, one of 246 grains and 268 parts of a grain of pure gold, equal to ten dollars, and the other of half that quantity of pure gold, equal to five dollars: And it is not explained, whether either of the two species of coins, of gold or silver, shall have any greater legality in payments, than the other. Yet it would seem, that a preference in this particular is necessary to execute the idea of attaching the unit exclusively to one kind. If each of them be as valid as the other, in payments to any amount, it is not obvious, in what effectual sense, either of them can be deemed the money unit, rather than the other.

If the general declaration, that the dollar shall be the money unit of the United States could be understood to give it a superior legality, in payments, the institution of coins of gold, and the declaration that each of them shall be equal to a certain number of dollars, would appear to destroy that inference: And the circumstance of making the dollar the unit in the money of account seems to be rather matter of form, than of substance.

Contrary to the ideas which have heretofore prevailed, in the suggestions concerning a coinage for the United States, though not without much hesitation, arising from a deference for those ideas, the Secretary is upon the whole strongly inclined to the opinion, that a preference ought to be given to neither of the metals for the money unit: Perhaps if either were to be preferred, it ought to be gold rather than silver.

The reasons are these—The inducements to such a preference is to render the unit as little variable as possible, because on this depends the steady value of all contracts, and in a certain sense of all other property. And it is truly observed, that if the unit belong indiscriminately to both the metals, it is subject to all the fluctuations, that happen in the relative value, which they bear to each other: But the same reason would lead to annexing it to that particular one, which is itself the least liable to variation; if there be, in this respect, any discernible difference between the two.

Gold may, perhaps, in certain senses, be said to have greater stability than silver: as being of superior value, less liberties have been taken with it, in the regulations of different countries. Its standard has remained more uniform, and it has, in other respects undergone fewer changes: as being not so much an article of merchandize, owing to the use made of silver in the trade with the East-Indies and China, it is less liable to be influenced by circumstances of commercial demand. And if reasoning by analogy, it could be affirmed, that there is a physical probability of greater proportional increase in the quantity of silver, than in that of gold, it would afford an additional reason for calculating on greater steadiness in the value of the latter.

As long as gold, either from its intrinsic superiority, as a metal, from its greater rarity, or from the prejudices of mankind, retains so considerable a pre-eminence in value, over silver, as it has hitherto had, a natural consequence of this seems to be that its condition will be more stationary. The revolutions, therefore, which may take place, in the comparative value of gold and silver, will be changes in the state of the latter, rather than in the state of the former.

If there should be an appearance of too much abstraction in any of these ideas, it may be remarked, that the first and most simple impressions do not naturally incline to giving a preference to the inferior or least valuable of the two metals.

It is sometimes observed, that silver ought to be encouraged rather than gold, as being more conducive to the extension of bank circulation, from the greater difficulty and inconvenience which its greater bulk, compared with its value, occasions in the transportation of it. But bank circulation is desirable, rather as an auxiliary to, than as a substitute for that of the precious metals; and ought to be left to its natural course—Artificial expedients to extend it, by opposing obstacles to the other, are at least not recommended by any very obvious advantages. And in general, it is the safest rule to regulate every particular institution or object, according to the principles, which in relation to itself, appear the most found. In addition to this, it may be observed, that the inconvenience of transporting either of the metals, is sufficiently great to induce a preference of bank paper, when ever it can be made to answer the purpose equally well.

But upon the whole, it seems to be most advisable, as has been observed, not to attach the unit exclusively to either of the metals; because this cannot be done effectually, without destroying the office and character of one of them as money, and reducing it to the situation of a mere merchandize; which, accordingly, at different times has been proposed from different and very respectable quarters; but which would probably be a greater evil than occasional variations in the unit, from the fluctuations in the relative value of the metals, especially if care be taken to regulate the proportion between them, with an eye to their average commercial value.

To annul the use of either of the metals, as money, is to abridge the quantity of circulating medium; and is liable to all the objections, which arise from a comparison of the benefits of a full, with the evils of a scanty circulation.

It is not a satisfactory answer to say, that none but the favoured metal would in this case, find its way into the country, as in that

all balances must be paid. The practicability of this would in some measure depend on the abundance or scarcity of it, in the country paying. Where there was but little, it either would not be procurable at all, or it would cost a premium to obtain it—which in every case of a competition with others, in a branch of trade would constitute a deduction from the profits of the party receiving; perhaps, too, the embarrassments which such a circumstance might sometimes create, in the pecuniary liquidation of balances, might lead to additional efforts to find a substitute in commodities, and might so far impede the introduction of the metals. Neither could the exclusion of either of them be deemed, in other respects, favourable to commerce. It is often in the course of trade as desirable to possess the kind of money, as the kind of commodities best adapted to a foreign market.

It seems, however, most probable that the chief, if not the sole effect of such a regulation, would be to diminish the utility of one of the metals. It could hardly prove an obstacle to the introduction of that which was excluded, in the natural course of trade; because it would always command a ready sale for the purpose of exportation to foreign markets. But such an effect, if the only one, is not to be regarded as a trivial inconvenience.

If then the unit ought not to be attached exclusively to either of the metals, the proportion which ought to subsist between them, in the coins, becomes a preliminary enquiry, in order to its proper adjustment. This proportion appears to be, in several views, of no inconsiderable moment.

One consequence of overvaluing either metal, in respect to the other, is the banishment of that which is undervalued. If two countries are supposed, in one of which the proportion of gold to silver is as 1 to 16, in the other as 1 to 15, gold being worth more, silver less, in one than in the other, it is manifest, that in their reciprocal payments, each will select that specie which it values least, to pay to the other, where it is valued most. Besides this, the dealers in money will, from the same cause, often find a profitable traffic, in an exchange of the metals between the two countries. And hence, it would come to pass, if other things were equal, that the greatest part of the gold would be collected in one, and the greatest part of the silver in the other. The course of trade might in some degree counteract the tendency of the difference in the legal proportions, by the market value; but this is so far and so often influenced by the legal rates, that it does not prevent their producing the effect which is intended. Facts too verify the inference: In Spain and England, where gold is rated higher than in other parts of Europe, there is a scarcity of silver, while it is found to abound in France and Holland, where it is rated higher in proportion to gold, than in the neighbouring nation. And it is continually flowing from Europe to China and the East-Indies, owing to the comparative cheapness of it in the former, and dearthness of it in the latter.

This consequence is deemed by some not very material; and there are even persons, who from a fanciful predilection to gold, are willing to invite it, even by a higher price. But general utility will best be promoted by a due proportion of both metals. If gold be most convenient in large payments, silver is best adapted to the more minute and ordinary circulation.

But it is to be suspected, that there is another consequence more serious than the one which has been mentioned. This is the diminution of the total quantity of specie, which a country would naturally possess.

It is evident, that as often as a country, which overrates either of the metals, receives a payment in that metal, it gets a less actual quantity than it ought to do, or than it would do, if the rate were a just one.

It is also equally evident that there will be a continual effort to make payment to it in that species, to which it has annexed an exaggerated estimation, wherever it is current at a less proportional value. And it would seem to be a very natural effect of these two causes, not only that the mass of the precious metals in the country in question would consist chiefly of that kind, to which it had given an extraordinary value, but that it would be absolutely less than if they had been duly proportioned to each other.

A conclusion of this sort, however, is to be drawn with great caution. In such matters, there are always some local and many other particular circumstances, which qualify and vary the operation of general principles, even where they are just; and there are endless combinations, very difficult to be analyzed, which often render principles, that have the most plausible pretensions, unfound and delusive.

There ought, for instance, according to those which have been stated, to have been formerly a greater quantity of gold in proportion to silver in the United States, than there has been; because the actual value of gold in this country, compared with silver, was perhaps higher than in any other. But our situation in regard to the West-India islands, into some of which there is a large influx of silver directly from the mines of South America, occasions an extraordinary supply of that metal, and consequently a greater proportion of it in our circulation, than might have been expected from its relative value.

What influence the proportion under consideration may have upon the state of prices, and how far this may counteract its tendency to increase or lessen the quantity of the metals, are points not easy to be developed; and yet they are very necessary to an accurate judgment of the true operation of the thing.

But however impossible it may be to pronounce with certainty, that the possession of a less quantity of specie is a consequence of overvaluing either of the metals, there is enough of probability in the considerations, which seem to indicate it, to form an argument of weight against such overvaluation.

A third ill consequence resulting from it, is a greater and more frequent disturbance of the state of the money unit, by a greater and more frequent diversity between the legal and market proportions of the metals. This has not hitherto been experienced in the United States, but it has been experienced elsewhere: and from its not having been felt by us hitherto, it does not follow that this will not be the case hereafter, when our commerce shall have attained a maturity, which will place it under the influence of more fixed principles.

In establishing a proportion between the metals, there seems to be an option of one of two things—

To approach as nearly as it can be ascertained, the mean or average proportion, in what may be called the commercial world; or

To retain that which now exists in the United States. As far as these happen to coincide, they will render the course to be pursued more plain and more certain.

To ascertain the first, with precision, would require better materials than are possessed, or than could be obtained, without an inconvenient delay. (To be continued.)

South-Carolina Lands for Sale,

ABOUT one hundred miles from Charleston, for any kind of Goods. One third part of 63 Tracts of Land, containing 51,900 acres, lying near the rivers of Savannah, Big and Little Salt Cohaches, and the fork of the Edisto: These Lands are a dark, or a copper-coloured soil, in an inhabited part of the State.

Also 5 tracts of Land in Ninety-Six district, 4 in Orangeburg district, 6 in Camden, all containing 3600 acres, all good land, with streams of water running through them. These Lands will be sold so low, that a man may make his fortune in buying them, for the purpose of selling them again, as emigrants are daily arriving there from Europe, to settle.

Duplicate Plots and Grants may be seen, and indisputable titles will be given by the subscriber. FREDERICK KING. *Morrisdown, Jan. 1791.* (77-6w1w.)

MASSACHUSETTS STATE LOTTERY.

THE Managers of the STATE LOTTERY, present the Public with the First Class of the *Massachusetts Semi-annual State Lottery*, which will commence drawing in the Representatives Chamber in Boston, on the Seventeenth of March next, or sooner, if the Tickets shall be disposed of.

SCHEME.

NOT TWO BLANKS TO A PRIZE.

25,000 Tickets, at Five Dollars each, are 125,000 Dollars, to be paid in the following Prizes, subject to a deduction of twelve and an half per cent. for the use of the Commonwealth.

Prizes.	of	Dollars.	is	Dollars.
1	of	10000		10000
2		3000	arc	6000
3		2000		6000
6		1000		6000
10		500		5000
30		200		6000
80		100		8000
90		50		4500
100		40		4000
120		30		3600
161		20		3200
200		10		2000
7585		8		60680

8388 Prizes. 125000
16612 Blanks.

25000. TICKETS may be had of the several Managers, who will pay the Prizes on demand—the TREASURER of the Commonwealth—of JAMES WHITE, at his Book-Store, Franklin's-Head, Court-Street, and at other places as usual.

BENJAMIN AUSTIN, jun. }
DAVID COBB, }
SAMUEL COOPER, } Managers.
GEORGE R. MINOT, }
JOHN KNEELAND, }

Boston, July 28, 1790.
Tickets in the above Lottery are to be sold by Stephen Austin, corner of Front and Pine Streets, Philadelphia.

PLEASE TO NOTICE.

FOR the accommodation of those who would wish to become Adventurers in the First Class of the MASSACHUSETTS SEMI-ANNUAL STATE LOTTERY, letters, post paid, directed to SAMUEL COOPER, at his Office, North side State-House, Boston, enclosing Philadelphia, New-York or Boston Bank-Bills, or other good Bills, will be particularly attended to, and Tickets forwarded immediately upon the receipt of such letters.

Boston, Dec. 22, 1790.

N. B. A List of Prizes will be deposited with the Printer hereof, immediately after the drawing is completed. 71 rawtf

The Managers of the STATE LOTTERY assure the public, that the first Class of the Semi-annual Lottery will positively commence drawing on the day appointed, viz. the 17th of March next. As the Managers have in their several Monthly Lotteries commenced drawing at the hour assigned, so they are determined to be equally as punctual in this. Jan. 52.

TO BE SOLD.

THE SEAT OF THE LATE GOVERNOR LIVINGSTON,

situate about a mile from Elizabeth-Town, on the public road to Morris Town. The farm contains between 90 and 100 acres of land, 15 or 20 acres of which are wood land; there is also appertaining to the said farm about 10 acres of salt meadow. Particular attention having been paid to the cultivation of fruit; there is on the farm a very large collection of various kinds of the choicest fruit trees, &c. in full bearing; the house is large, convenient, well built and in very good repair.

Enquire of the Printer, for further particulars. New-York, Jan. 1791. 80 3m

MANUEL NOAH,

BROKER,
No. 91, Race-Street, between Second and Third-Streets,
BUYS and SELLS

Continental & State Certificates,

Pennsylvania and Jersey Paper Money, And all kinds of SECURITIES of the United States, or of any particular State. Philadelphia, Feb. 1790.

THE Copartnership of HEWES and ANTHONY having expired the 31st ultimo, they request those, who have any demands, to exhibit their accounts and receive their money; and those who are indebted, are desired to make speedy payment, to either of the Subscribers, at their Computing-House, No. 5, Chestnut-Street-Wharf. JOSEPH HEWES. JOSEPH ANTHONY.

Philadelphia, Jan. 15, 1791.

N. B. They have yet on hand, and for SALE, at their STORE above-mentioned,

HYSON, Souchong, and Bohea TEAS,

Three cases Cassia, Martinico Coffee,
Pimento in bags, Muscovado Sugar,
A few Cases old Batavia Arrack,
One cask of Durham Muffard,
New England Rum in hogheads and barrels,
A quantity of prime Boston Beer,
Spermaceti, right whale and tanners' Oil,
Best pickled Mackrel,
6 by 8—7 by 9—8 by 10—9 by 11—and 10 by 12 Window Glafs,
A quantity of excellent carrot Tobacco,
And an elegant CHANDELLER. (2aw6w.)

IMPERIAL, HYSON, SOUCHONG, and BOHEA T E A S ;

REFINED SUGARS, COFFEE, and SPICES, &c.

Of the first Quality—by Retail,

No. 17,

Third-Street, between Chestnut and Market-Streets.

N. B. A few TICKETS in the New-York Lottery, which is to be drawn the first of April next, for sale.

The price of this paper is 3 dollars per annum.