An Account Of The Regulations Of The New Hambro' Coin : As far as concerns the Trade Of Denmark With This City ; Together with the Reasons Of The Present Agio of the Danish Money

Hamburgh, 1734

XXXVII. Vielleicht.

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Verzeichniß
der in diesem Bande enthaltenen DANICO HAMBURGENSIA

1. Einige Nachrichten, zur Erläuterung der hier unterstehenden, zwischen der Cron Dännemarck, und der Stadt Hamburg obschwebenden Mißhelligkeiten, auf Ersuchen E. E. Raths gedachter Stadt publicirt im Monat Augusti 1734 als:
   a. Nachricht von dem ersten Zustande der Reichs-Freyheit und Immediatat der Stadt Hamburg
   b. Nachricht von dem sogenannten Schauenburgischen Hofe in der Stadt Hamburg, und dem ersten Zustande der Ritterschaften vor dem Kayserl. Reichs-Hofrathe zu Wienn.
   c. Nachricht von der Entstehung, Beschaffenheit, Billigkeit, und dem allgemeinen Nutzen der unter Hamburgischen Münz-Verlassungen von 1725. und von dem Zustande der Streitfall mit dem Dänischen Hofe entstandenen Mißhelligkeiten.
2. Vertraute Schreiben eines zu Amsterdam wohnenden patriotisch gesinnten Hamburgers an seinen Bruder in Hamburg betr. die wahre Verlassung, und erste Beschaffenheit der zwischen Dännemarck, und gedachter Stadt seit verschiedenen Jahren geführten

Entschwerden, und deßwegen vorgenommenen Sperrung des Commercii Sept. & Oct. 1734 aut. Hojero. Prof. Haen.

3. Mandatum Ampl. Senatus in Ansehung vorstehender Schrift 6. Dec. 1734.

4. Copia des an Ihro K. Maij. zu Dännemarck Koniglichen von E. E. Rath der Stadt Hamburg am 6. Jul. 1734. abgelassenen Schreibens, den auf dem Hamburger Berge am 16. Jun. entstandenen Tumult betr. sammt dem dazu gehörigen Facto.

5. Nachricht den besagten Tumult betr. vorigen Facto anhängen gesetzt. nach dem Eigenhändigen Exemplar. Altona

6. Stadt Hamburgische Anzeige und Anmerkungen über die vorstehende Nachricht. publ. Mense Nov. 1734.

7. Factum in entstandener gerichtl. Sache zwischen Martin von Bergen Witwen und Jacob Meinke, Hermann Jacobs Sohn. publ. Mense Oct. 1734.

8. Nachricht von der Beschaffenheit der Stadt Hamburgischen Münz-Verfassung in Ansehung der Commercien der Königl. Dänischen Unterthanen mit besagter Stadt insgemeinen von den Ursachen des jetzigen Agio der Königl.

Dänischen Courant-Müntzen gegen die Banco Species publ. d. Nov. 1734.

8. b.) Considerations sur l'etat present de la monoie de Hamburg, par raport au commerce des Dannois avec cette Ville, nebst Übersetzung der original Handschrift.

8. c.) An Account of the Regulations of the new Hambro' coin, nebst Engelländischen Übersetzung derselben.

9. Geschreyben in dem Streit der Mehrheit zwischen einem Dänen, Lüneburger und einigen Hamburgern, die von dieser Stadt im Jahr 1726. eingeführten Müntz-Veränderungen betreffend Copenhagen 1735. auct. Claubergio, Judaeo converso.

10. Die von Königl. Dänischer Seite allen denen, den Gesandschaften in Copenhagen communicirte Raisons gegen die courant Banco, und das Müntz-Edict der Stadt Hamburg samt deren Beantwortung, nach dem zu Augenburg gedruckten Exemplar. 1735.

11. Vergleich zwischen Ihro K. Maj. von Dännemarck, Norwegen, und der Stadt Hamburg d. d. Copenhagen 28. April 1736. samt dem dazu gehörigen Articulo Separato d. d. Altona 10. Jul. 1736. und den

von beyden Theilen darüber aus zu wechselten
Ratificationen, Hamburg nach den Origina-
lien.

12. Mandatum Ampl. Senat. wegen Aufhebung
der Courant-Banco nach Anlauf eines
Jahres d. d. 25. Jun. 1736.

13. Patent wegen einer hergestellten Land-
Engl. Freyheit mit Hamburg. Altona 3. Jul.
1736.

Erfolgt.

A N

ACCOUNT

OF THE

REGULATIONS

OF THE

NEW HAMBRO' COIN

As far as concerns the

TRADE OF DENMARK WITH THIS CITY:

Together with the

REASONS

OF THE

Present *Agio* of the Danish Money.

Printed by Order of the Senate.

HAMBURGH Decemb. 1734.

INTRODUCTION.

THE SENATE OF HAMBURGH publiſhed in *Auguſt* laſt an Account of the Nature and Reaſonableneſs of the new Regulations made 1725, with regard to their Coin. In that Paper they ſufficiently demonſtrated the Rights and Prerogatives of their Mint, which they have exerciſed for ſeveral Centuries, and gave a full Anſwer to all the Objections that have been made to the aforeſaid Regulations.

THEY had therefore Reaſon to hope, that the Prejudices at firſt entertained againſt ſuch uſeful and juſtifiable Meaſures would have been removed, and all Perſons at laſt convinced of the Juſtice and Equity of their Proceedings, and how little they deſerved the Preſſures and hard Uſages they have met with theſe laſt eight Years; which yet have not diſcouraged them from uſing all this Time their utmoſt Endeavours towards regaining the King of *Denmark*'s good Graces.

IF there be any Difficulties ſtill remaining, which have not been ſufficiently cleared up in the Minds of ſome Perſons, it can only proceed from their Want of ſuch an Inſight into the Affairs of the Mint, and general Knowledge of Trade, as are abſolutely neceſſary in a Commonwealth, and which every private Perſon cannot be ſuppoſed to have: Yet the Matter is not ſo dark or ab-

ſtruſe, but every one with a little Application may eaſily comprehend it.

It is impoſſible for any one not to perceive clearly the Solidity of this Aſſertion, That the City cannot give at all Times, and to all Perſons, $88\frac{8}{9}$ * Ounces of fine Silver in exchange for $83\frac{1}{2}$ Ounces, much leſs for $81\frac{31}{36}$; becauſe it muſt appear at firſt Sight, that they would loſe about 5 Ounces by the former, and 7 by the latter Exchange: Conſequently the Magiſtrates can as little do it themſelves, as oblige their Burghers to exchange to ſuch a Diſadvantage.

Yet this is the very Thing the City would be compelled by Violence to ſubmit to, if obliged to receive into the Bank a foreign Daniſh Coin at an equal Value with its own, viz. at an *Agio* of 16 per Cent. For 100 Dollars Specie, according to the Standard of the Empire, contain $88\frac{8}{9}$ Ounces of fine Silver; but, on the other Side, 116 Dollars *Daniſh* Current Money ſince the Reduction (ſuppoſing it to be of the ſame real Value it was then calculated at) contain only $83\frac{1}{2}$ Ounces, and in 116 Dollars *Daniſh* Money coined ſince the Year 1726, there are no more than $81\frac{31}{36}$ Ounces fine Silver.

The Diſproportion is evident: For 9 Specie-Dollars (weighing as many Ounces) contain 8 Ounces fine Silver with only one Ounce Alloy; but the Mettal of the *Daniſh* Coins is ſo much coarſer, that no leſs than $11\frac{1}{9}$ Dollars of the reduced

* N. B. *Twenty Ounces of* German *Silver Weight are equal to nineteen Ounces* Engliſh *Troy Weight.*

duced Money, and $11\frac{1}{3}$ Dollars of the later Coins are sufficient to yield eight Ounces of fine Silver.

FROM this Calculation we shall find, that if the *Hambro'* Merchant exchanges his Species for 2 or 3 per Cent. more in *Danish* Money, than he can get for it in the new Current Coin of *Hamburgh*, it will not be of any Advantage to him, or induce him to melt down the *Danish* Coin. Let him receive, for Instance, 119 or 120 Dollars *Danish* Current Money for 100 Dollars Specie, he must necessarily, should he want Specie, pay the same Price for it again. But if he throws the *Danish* Coin into the Crucible, he will lose about 4 Dollars in 120 of the reduced Money, supposing it no way debased, and 6 Dollars of the Money coined in *Denmark* since; because 124 Dollars of the former, and 126 of the latter are no more in the intrinsick Value than 100 Specie-Dollars: Or if the Merchant exchanges *Hambro'* Current for 120 Dollars *Danish*, it will amount to the same thing; for 100 Dollars Specie must have been originally deposited, or assigned for receiving the 116 Dollars *Hambro'* Current Money, with which the *Danish* is purchased, and if the latter be melted down, the Bullion will come short, as before, from 4 to 6 Dollars of the Value it passes for in Coin; not to take any Notice of the Hazard such a Person runs of being detected, together with what is wasted in the melting, or lost by some Pieces being coined lighter than others.

MAGISTRATES of unblemished Integrity are not to be suspected of Crimes they punish with Severity in others. But suppose they could even be guilty

of these Practices, they would be very far from being Gainers; for, in making the Experiment, they must pay, as well as the private Merchant, for 120 Dollars *Danish* Current Money, either 100 Dollars Specie, or 116 of their City Current Coin. If they purchase the *Danish* Money with Specie, and melt it down, they must be considerable Losers, because they will not find in the Crucible so much fine Silver as they paid for it; and, should it be purchased with *Hambro'* Current Money, the Case will be just the same, 116 Dollars *Hambro'* Current being always equivalent to 100 Dollars Specie. Supposing then the *Danish* Coin to be two or three per Cent. intrinsically better than the *Hambro'* Current Money, how would the Odds be sufficient to defray the Charge of the Coinage?

THE Reasons why the City can always deliver 100 Dollars Specie for 116 of their own Money, are not necessary to be repeated here, having been particularly discussed in the abovementioned printed Account Chap. I. sect. 8. But in general they are grounded on this Matter of Fact: A Burgher of *Hamburgh*, in order to receive 116 Dollars of Current Money, has at first deposited 100 Dollars Specie in the Specie-Bank, which is a sacred and inviolable Trust committed to the Care and Inspection of the Publick: Therefore he can always re-exchange it at the Bank for the same Quantity of Species without any Loss to the Publick; or his Fellow-Citizens would not make any scruple to furnish him with the like Sum

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in Specie for 116 Dollars new Current Money; becauſe the 100 Dollars Specie, lodged in the Bank, are a ſufficient Security and Pledge to them of their receiving the ſame Value again.

The ancient Coin of this City, though of the ſame Standard with the new, does not enjoy the Benefit of a conſtant *Agio* at 16 per Cent. in reſpect of Species; no Specie-Money having been originally paid into the Bank, in order to receive the old Current Coins, as has been done with regard to the new. How then can it be reaſonably expected, that the City ſhould grant ſuch an Advantage to a foreign Coin, the Weight and Fineneſs whereof they cannot regulate, when at the ſame time it is not given to their own valuable old Money?

The *Danes* do not diſpute the Privileges of the *Hambro'* Mint: But if the *Hamburghers* muſt ſuffer a foreign Coin to be impoſed upon them, and are not able to take the moſt innocent Meaſures for ſecuring the Value and Circulation of their own Money, which has been their only Aim, and on which the Welfare of their State depends: But muſt be obliged at the ſame Time to give the Privileges, Rights and Denomination of their Money to a Coin not belonging to the Empire, or current by publick Authority, but paſſing here as in the Neighbourhood: If they muſt lye under theſe Reſtraints, what do their Privileges avail them? There is an End at once of the invaluable Prerogative of their Mint!

It

It requires in like manner but ſmall Penetration to apprehend, that the *Agio* of the *Daniſh* Money depends chiefly upon the Circumſtances of Trade, and the Plenty and Scarcity of that ſort of Coin. The *Agio* in general (if Care be taken to prevent Abuſes) is the beſt Means of preſerving the good Coin of the Empire, by fixing it in ſome meaſure to its true and conſtant Value. For as ſoon as an exceſſive Quantity of baſer Coin crowds into a State, the vigilant Magiſtrate obſerving its progreſs needs only leave the *Agio* to take its natural Courſe, and it will of it ſelf riſe proportionably to the Debaſement of the Coin in reſpect of Species, and thereby render it more difficult to buy up, and melt down the good Money of the Empire in any conſiderable Quantities.

The particular Nature of the *Agio* is what every one perhaps may not underſtand; but is is far from being a thing unintelligible to any one that will conſider it in the following Manner: In every large trading Place, as *Hamburgh*, where there are great Dealings with foreign Kingdoms in the Buſineſs of Exchange by means of an eſtabliſhed Bank, there will neceſſarily be a Conflux of ſeveral ſorts of Coin of different Value. Of theſe Coins the weighty Dollars of the Empire, being the Specie of the Bank, (whereby Remittances are made to foreign Parts) are the Rule and Standard, according to which all other Coins are eſſayed, and receive their true Valuation. But it is not poſſible in a large Trade, eſpecially for the private Merchant, to eſſay all the Coins he receives, and yet he has often neceſſary

Occaſion

Occaſion to make uſe of the baſer ſorts in his Traffick with that Country from whence they come. Therefore in exchanging one Money for the other, the intrinſick Value is not ſo much conſidered, as the Neceſſity there is of uſing both ſorts of Coin, and, according as the Demand for them is greater or leſs, (which depends on the Exigencies of Trade) both Parties come to a voluntary Agreement between themſelves, how much more or leſs of the baſer Coin the one ſhall give the other in Exchange for the better Money: And this is called the *Agio*, or *Rate of Money*.

It is with Coins as with Merchants Goods: Thoſe of an indifferent Quality bear a good Price, when they are ſcarce, and there is a great Call for them, and the better ſorts ſell cheap, when the Market is overſtocked. In like manner the Current Money, though far inferior to Specie in its intrinſick Value, muſt neceſſarily grow better or worſe with regard to Specie, that is, the *Agio*, or Rate thereof, muſt riſe or fall in proportion to its Plenty or Scarcity, and as the Demand for it is greater or leſs.

The *Agio* depends ſolely on the free Will and Pleaſure of the two contracting Parties. The Magiſtrates are no way concerned in it, nor can they preſcribe Bounds and Meaſures to Contracts of this Nature, eſpecially with regard to a Coin not depending on them for Weight and Fineneſs; any more than they can oblige their Burghers to pay a great Price for Corn in times of Plenty, or to afford it at a low Rate in Times of Scarcity and Dearth. The Magiſtrates cannot interfere in either of theſe Caſes without overthrowing the Liberties of Trade, and Trade it ſelf.

If we take a Review of the Times before the Debasement of the *Danish* Current Money in 1710, we find by Experience, that the *Agio* is not so much influenced by the real Worth of the Coin, as by the Quantity being proportioned to the Need thereof in a free Trade. The *Danish* Coin before 1710 was in its intrinsick Value near equal to the reduced Money, or rather to the Money coined in *Denmark* since the Year 1726. But there was at that Time only a moderate Quantity of it: The Trade between *Denmark* and *Hamburgh* flourished; there was besides a particular Call for *Danish* Money, that necessarily raised the Price of it; the *Hollanders* buying up in *Jutland* a great Number of Oxen, for the Payment whereof they purchased *Danish* Money in *Hamburgh:* And we can still produce the Exchange-Notes to shew, that the *Danish* Current Money was then at an *Agio* of 12, 13, 14, or 16 per Cent. at the highest, in respect of Specie. But this Trade is so considerably diminished since the Year 1724, for Reasons well known, that the annual Exportation for *Holland* (as we are credibly informed) is decreased more than 5000 Head of Cattle. This is the Reason of some present Obstruction in the Circulation of the *Danish* Money, and of its having a higher *Agio* than formerly.

In those Times the *Danish* Money had often an equal Course with the *Hambro'* Coin, which the Magistrates then as little endeavoured to promote, as they do now to hinder, but left it, as they always must do, to the arbitrary Discretion of the Merchants.

There

THERE appeared notwithſtanding at certain Times a remarkable Difference between the two kinds of Coins. For in the Year 1717 the Exchange-Notes advertized, that the *Daniſh* Current Coin was 18 per Cent. inferior in its intrinſick Value to the *Hambro'* Money; and it is evident from the expreſs Words of the *Daniſh* Reſident's Memorial p. 212 of the abovementioned printed Account, that this Advertiſement drew upon them at that Time the Miſfortune they lie under at preſent of having their Ships arreſted.

SIXTEEN Years ſucceſſively, from 1710 to 1726, this City and Neighbourhood ſuffered greatly by the *Daniſh* Money having generally the ſame Courſe with their own, tho' the former was 18 per Cent. inferior in Value both to the old *Daniſh* and *Hambro'* Coins. And what increaſed the Grievance ſtill more was, that the good Coins roſe promiſcuouſly with the bad in *Agio*, and that not imperceptibly but viſibly in ſix or ſeven Years 10, and at laſt above 20 per Cent. higher than they had been current before. So that for 100 Dollars Specie the Merchant was obliged to pay 133, 134, 135 Dollars, as well of the ancient good Coins, as of that which was 18 per Cent. coarſer Standard.

THIS has been the unhappy Source of the general Calamity, which was undoubtedly owing in great meaſure to the wicked Contrivances of rapacious Chriſtians and *Jews*: For the two Coins, ſo very different in Value, having the ſame Courſe or *Agio*, gave them an Opportunity

of gaining 18 per Cent. in fine Silver, by buying up and melting down the old *Danish* and *Hambro'* Coins, and selling to the neighbouring Mints the Bars of Silver they made, not only of the old *Hambro'* Money, but of the good Coin of the Princes to whom those Mints belong. By this means the good Money disappeared, little of it remained but clipt Pieces, and deficient in Weight, as is specified in the City-Edict p. 250 of the printed Account. These the *Jews* in like manner have been, and are still scraping together in all the Towns and Villages of *Holstein*, and every House and Corner of this City, giving the poor ignorant People all sorts of small worthless Coins in exchange for them.

THESE Money-Jobbers very likely took it much to Heart, that the Senate in the Year 1717 used their utmost Endeavours (as far as the Times would permit) to put a stop to their pernicious Practices, by publishing a Proclamation shewing the Difference of the Coins, and tending to prevent the melting them down, and carrying the Bullion out of the City.

BUT we hope this Evil is at last effectually remedied by the Edict of 1726. For as long as this Edict continues in Force, and the *Agio* of the *Hambro'* Money remains invariable, it will be much more difficult than it was formerly, for those Clippers and Money-Cullers to exercise their illegal Craft.

THE *Hambro'* Coin is no longer subject to their little Arts and Cunning, nor will they now be able so easily

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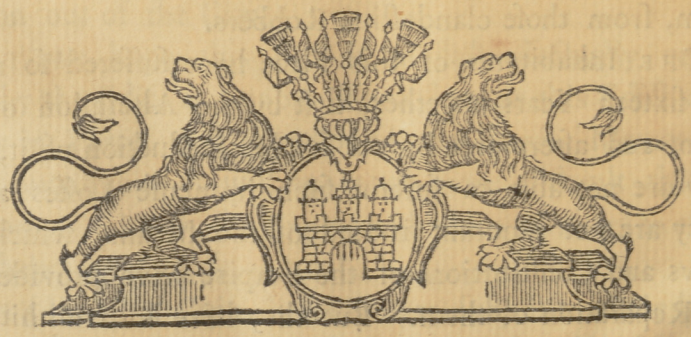
to exert their Skill in raiſing the *Agio* of the *Daniſh* Money in reſpect of Specie; becauſe Foreigners as well as Burghers, in caſe it ſhould riſe, may ſell their Goods for *Hambro'* Coin, which they can exchange for Specie at a lower Rate; much leſs in reſpect of *Hambro'* Current, becauſe theſe Coins are never neceſſarily exchanged one for the other, as will appear in the following Treatiſe.

THE only Profit thoſe Coin-Mongers could propoſe to themſelves from an high *Agio*, was by melting down the good Money, which, as we have already ſhewn, will not turn to their Advantage at preſent; yet this was the ſole View thoſe Perſons had at firſt in raiſing the *Agio* of the old Coins. And the great Quantities of them actually thrown into the Crucible, were a further Cauſe of the exceſſive *Agio* of the good and bad Coins without Diſtinction. No one then can blame the *Hamburghers* for endeavouring to reſcue their good Coin out of ſuch dangerous Hands, and by their new Regulations to ſecure themſelves, if poſſible, and other Nations engaged in Trade with them, from thoſe clandeſtine Robbers.

THE Inhabitants of this Place have ſuffered ſo much for ſixteen Years together, firſt by the Alteration of the Coin, and afterwards by the ſudden Reduction of it, that they are not able to ſuſtain ſuch immenſe Loſſes again. They are not ignorant indeed of the Means, which the Laws and Conſtitutions of the Empire have provided for the Reparation of them. But they have born all hitherto without complaining, in Confidence that His DANISH

Majesty, out of His abundant Goodness and Clemency, will be graciously pleased, considering the Justice of their Cause, to make them again happy, by restoring them to His Royal Favour; and the rather, as they have been greatly injured hitherto by the envious and malevolent Insinuations of their Enemies.

For this Reason they make no Scruple to give a publick Account of their Conduct: And that there might not be the least Room left for any Imputation, *as if some Design lay at the Bottom of the new Regulations of their Coin, tending to the Prejudice of the Danish Subjects Trade with this City*, (as has been maliciously suggested) the Senate have thought fit not to conceal any thing, but to lay before the World in the following Sheets a true State of their Case (as far as concerns the *Danish* Current Money in respect of the Trade with *Hamburgh*) which they are willing to submit to the Judgment of every impartial Reader.



AN

AN ACCOUNT OF THE REGULATIONS OF THE New Hambro' Coin, &c.

WE do not intend to examine the Views the *Danish* Court may have in forming Pretensions with regard to the new Regulations of the *Hambro'* Coin, notwithstanding their Claims are incompatible with the Welfare of this City, tending to weaken its Legislature, and subvert its Liberties. But we cannot forbear asserting, that the *Hamburghers* do indisputably enjoy the Prerogative of the Mint as fully as any other State of the Empire.

THEY have always coined their own Money, and upon all Emergencies have made such Regulations, with regard to their Coin, as they thought advantageous for the Publick, without any manner of Opposition. No foreign Coins have ever passed here under the Denomination of *Hambro'* Money, or been received as such; but, as often

as

as was neceſſary, have been eſſayed, and the Value of them eſtimated by this City, according to the Privileges granted to their Mint, and the Conſtitutions of the Empire.

In the Coinage of their Current-Money they have kept up to their ancient Standard. The *Agio* of it with regard to Species, or *Bank-Money*, they have fixed at 16 per Cent. which is not lower, or more favourable than it uſually was, till the Year 1710, when the *Danes* were about coining Money near 18 per Cent. worſe in real Value than was current before. Till then the *Agio* was ſtill lower, varying from 13, 14 to 15 *per Cent.* and conſequently much more advantageous than it is at preſent ſettled at 16.

But theſe Points have been ſufficiently diſcuſſed in former Papers, and particularly in the Collection lately publiſhed, wherein all that is material to the Subject hath been ſet forth at large. Our preſent Enquiry only concerns the true and real Intereſt of the *Daniſh* Subjects with regard to the Trade they have, or might have with this City, which would turn to the Advantage of *Denmark* (if we may be allowed to ſay ſo) in caſe the Prohibition, ſubſiſting theſe eight Years, was not in ſome meaſure a preſent Hindrance to it.

This will manifeſtly appear by conſidering the two following Points:

First, That the new Money of *Hamburgh*, its invariable *Agio*, the Current-Bank, and the Edict of 1726 are no ways prejudicial, but in ſeveral reſpects advantageous to the *Agio* of the *Daniſh* Coin.

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SECONDLY, That the Rise of the *Agio* of the *Danish* Money is not to be attributed to any Regulations of the *Hambro'* Coin, but to other Causes.

ALTHOUGH it is not to be supposed that the *Hamburghers* are under any Obligation of undertaking the Proof of these Points, since it cannot be expected that they should new-model the Laws, that have been made for the Security and Welfare of their own State, to suit the Conveniency of other Powers, or that they should take upon themselves the Concern of foreign Coins, and be sollicitous about the Course of them: However to demonstrate that the *Hamburghers* have a just Cause, which they are not afraid of laying before the World, and to clear them from any Imputations of ill Designs, we shall endeavour to set the abovementioned two Points in a true Light; though at the same time we solemnly protest against any Interpretations that may turn to the Prejudice of this City.

IN the first Place, it is a general and undeniable Maxim: That *Two Sorts of Money cannot prejudice one another, when they never meet or interfere in the way of Commerce, and where there is no Necessity of exchanging one for the other.* This is exactly the Case of the *Danish* and *Hambro'* Current Money.

NO Circumstance can happen, whereby the *Danish* Subjects may be obliged to exchange their own for *Hambro'* Money. Therefore the latter cannot interfere with the former, or be any ways detrimental to it. The constant

Agio of 16 *per Cent.* only affects the new *Hambro'* Money with respect to Specie-Dollars, which, as far as we know, have not of late Times been coined in *Denmark*, nor is any great Use made of them there, *Danish* Current and Crowns being the established Coins of that Kingdom. Much less can the *Danish* Money be prejudiced by the Current-Bank, because that is only a Place, where the new Money belonging to private Persons is deposited and kept, for the Conveniency of transferring it from one Bank to the other, whereby they are eased of the Trouble of Telling and Exchanging it for Specie-Money. This Bank exchanging for no other Coin than Specie, and consequently not for *Danish* Money.

This will evidently appear by examining more particularly into the Nature of the *Danish* Commerce with this City, and those Cases in which the *Danes* either use, or want the Current Money of their own Country.

All such Commodities as are of daily Use and Consumption, and the Growth and Product of *Danish Holstein*, particularly of this Neighbourhood (which are continually brought into this populous City by the *Danish* Subjects in prodigious Quantities, and sold here for ready Money) are paid for in *Danish* Coin. This they carry home without exchanging it. Consequently neither the *Hambro'* Money nor its *Agio* can in the least affect them. The same is practised by the Subjects of *Denmark*, when they bring hither Goods and Effects of greater Importance: They are not obliged to take this City Money, but receive their own

own Coin in Payment, and therefore have no Concern with the Current-Bank.

THE Payment of ſuch Goods as the *Danes*, notwithſtanding the Prohibition of Trade, receive privately out of *Hamburg*, is ſtipulated, as is cuſtomary, in Specie or Current Money. When Payments are to be made in Specie, the Buyer undoubtedly calculates the Courſe of Exchange he is to pay his Bills at, or make his Remittances, and then regulates the Sale in *Denmark* accordingly. What he agrees for in Current Money he is ſuppoſed to pay in *Daniſh* Coin; and conſequently the Current Bank cannot hurt him in either of theſe Caſes.

IT is apparent from what goes before, that it is impoſſible for the Subjects of *Denmark*, whether Buyers or Sellers, to be prejudiced in their Trade with the *Hamburghers* by the new Money of this City, or the aſcertaining of its *Agio*, or the Current Bank. Yet the *Danes* not only ſtrongly inſiſt upon the Suppreſſion of the Bank, and the Repeal of the Edict concerning the Coin, but even by an Interruption of Trade and open Hoſtilities endeavour to compel the City to abrogate thoſe Laws, which are indiſpenſably neceſſary to their Welbeing, and, as is very evident, do not in the leaſt affect the Trade with *Denmark*.

BUT there is a particular Sort of Commerce between *Denmark* and *Hamburgh* not yet taken notice of, for the ſake of which alone (as we are lately informed) the *Daniſh* Merchants call aloud for the Diſſolution of the

Current Bank, as deſerving the higheſt Indignation, for not ſquaring with their private Intereſt.

THIS Grievance is a Conſequence of the Prohibition of Commerce with this City, and of the *Daniſh* Merchants being injoined to carry on a direct Trade with foreign Countries, viz. *England*, *France*, *Holland*, *&c.* whereas formerly they uſed to have moſt of the Goods they wanted out of *Hamburgh*. They cannot well continue this Trade, and negotiate their Bills, but through the means of the *Hamburghers*, who in this Caſe are only to be conſidered as their *Caſhiers*. Now as there are few Merchants in *Denmark* capable of making theſe Remittances, and thoſe deſirous to ingroſs the whole Trade to themſelves, they are neceſſitated, when they come to exchange *Daniſh* Current Money for Specie (which the *Hamburghers* are under no Obligation of ſupplying them with) to purchaſe it now and then at two or three *per Cent.* higher *Agio*, than the *Hamburghers* give each other for their own Specie-Coin in their own Current Money, the *Agio* whereof has been fixed at 16, by their own Conſent, and the Sanction of the Legiſlative Power. For this Reaſon the *Danes* pretend, that the Town ſhall give up their Privileges, and break through the Regulations of their Coin, to the end that an inconſiderable Advantage may accrue to ſome of thoſe great *Daniſh* Traders, who may have been formerly concerned in the Monopoly of what they call *the Four Species*, or Sorts of Merchandice, and and who at preſent reap the greateſt Profits from the

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Prohibition of Trade; becauſe their Fellow-ſubjects may not perhaps have always the Means to ſend to diſtant Markets for ſuch Goods, as they might have had with greater Eaſe in *Hamburgh*.

To make the Matter ſtill clearer, the Commerce we are ſpeaking of, is not to be conſidered as a Commerce with *Hamburgh*, but with other Nations, and therefore it cannot poſſibly be ſaid, that the fixed *Agio* of the City Money, or the Current Bank, can be of any Prejudice to the *Danes* in their Trade with foreign Kingdoms.

But as this Commerce cannot be ſupported without Specie, and there being ſcarce any in *Denmark*, it is expected that the Inhabitants of *Hamburgh* ſhould furniſh the *Danes* with the Specie, they have in Bank, at what Price they pleaſe, which is as much as to ſay, they ſhall ruin their own Trade to favour a few *Daniſh* Merchants in a Traffick, not carried on with the Town of *Hamburgh*, but with foreign Nations. This Point deſerves a particular Attention; it will therefore be very neceſſary to ſet it in a true Light.

The Caſe is this: All Debts that the *Daniſh* Merchants contract in *England*, *France*, *Holland*, *&c.* by trading directly to thoſe Parts, muſt neceſſarily be paid by Bills of Exchange in *Hamburgh*, which are regulated by the Specie-Coin of the Bank, becauſe there is no Bank in *Denmark*, and but little Specie, nor (as is well known) any General Courſe of Exchange ſettled between that Kingdom and other trading Nations, but

by means of the *Hambro'* Bank. Therefore the *Hambro'* Bankers, Exchangers and Traders (that are in Correſpondence with the *Engliſh*, *French*, *Dutch* and other Nations, as well as with the *Daniſh* Merchants) can only be conſidered as Negotiators in theſe Affairs, remitting the neceſſary Sums by Bills of Exchange to the abovementioned Places. The *Daniſh* Merchants, on the other Side, reimburſe the *Hamburghers* in their own Current-Money, ſometimes in Crowns, either by Caſh, or by Bills: Conſequently the Current-Bank of this City is not any ways concerned in this Trade, and therefore does not deſerve any Odium upon this Account, much leſs to be aboliſhed.

But it is ſaid, that the *Daniſh* is 2 *per Cent.* intrinſically better than the *Hambro'* Money, and yet notwithſtanding its being ſo much ſuperior in Value, it paſſes here at an *Agio* of 19 or 20 *per Cent.* in reſpect of Specie; whereas the *Hambro'* Coin, though inferior, is aſcertained at 16 *per Cent:* This Difference, in the Opinion of the *Daniſh* Court, is highly unreaſonable, not to be ſuffered, and ſo prejudicial to the Subjects of *Denmark*, that for this Reaſon alone the Current-Bank ought to be aboliſhed, and the City of *Hamburgh* perſecuted, oppreſſed, and deprived of its Rights and Liberties: Not conſidering in the mean time, that the Invariableneſs of the Agio of the City Money is owing to the good Order and Connection of their two Banks; and that the Fluctuation of the *Agio* of the *Daniſh* is a natural Conſequence of its having

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a free Course, which cannot be fixed here or in *Denmark* without being brought under such proper Regulations, as are not subject to the Laws of this City.

FROM what has been alledged, we leave every one to judge, whether the *Danes*, with regard to the above-mentioned Commerce, may be properly said to deal with *Hamburgh*, or foreign Nations. Nobody will deny but they deal with the latter, and consequently it is not the Commerce with *Hamburgh*, or the Current Bank, or the invariable *Agio* at 16 *per Cent.* of the new Money, but the Trade with foreign Nations, that occasions a Difference of two or three *per Cent.* of the *Danish* Current Money with respect to Specie, which the *Danish* Merchants attribute to the *Hamburghers* new Regulations, and call an insupportable Grievance.

TO this may be replied in general:

1. THAT, allowing the *Danish* Coin after its Reduction to be two *per Cent.* better in real Value than *Hamburgh* Money according to Calculation: Yet it does not prove to be so in Fact; for the Bullion has not been stampt equally, but some Pieces of the Coin are weightier than others, which hath given Encouragement to Clippers and Money-Jobbers to cull out the heaviest, as has been shewn in a former Paper. Besides, we are not only to reflect on the Coin, which was reduced in the Year 1726, but on the Money that has been constantly minted ever since, wherein *Denmark* has not kept up to the Standard to which it was obliged to return at that time. And with

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respect to these later Coins (which cannot but grow in Time to large Quantities) we believe the *Danes* themselves will hardly say, that they are in the least superior in intrinsick Value to *Hambro'* Money.

2. That, supposing the *Danish* after its Reduction is become two *per Cent.* intrinsically better than *Hambro'* Money, yet every one knows, that as long as the *Agio* is not brought under proper Regulations, it is as little capable of being ascertained as the Course of Exchange. For it is not the real Worth of the Coin, which governs the *Agio* intirely, or that influences it so much as the Accidents of Trade, and the Plenty or Scarcity of any sort of Money. The Quantity of Coin ought to be proportioned to the Trade of any Place or Country. But for many Years past, and at present, the *Danes* pour out of their Mint a much greater Quantity of Coin than is commensurate to the Size of their Commerce, and if the Affluence were less, the *Agio* would naturally grow better. So that the innocent City is blamed, although no ways responsible for the Profusion of the *Danish* Mint.

3. The *Hamburghers* are not obliged, nor, unless they will ruin themselves, is it in their Power to fix the *Danish* Coin, or procure it a better *Agio*, than flows naturally from the Course of Trade.

4. Formerly the *Hamburghers* had the Mortification to see their own Money, though 18 *per Cent.* better in real Value, go but at Par with the *Danish*, which was so much worse: and, which was a greater Hardship, their Ships were arrested in the Year 1717, only upon Notice given

given in the Exchange-Notes of a certain Distinction between the two Coins. And, in Requital for what they then suffered, an inconsiderable Difference in the *Agio*, of no Advantage to the City or Merchants here, is now made a Pretence for a violent Persecution.

5. During the Space of eight Years since November 1726, when the *Hambro'* Coin was settled, the *Danish* Subjects have fared much better with the *Agio* of their Money than before. From the Year 1710 to 1718 the said *Agio* rose from 16 to 26 *per Cent.* and higher, and in the following eight Years to above 33, when no Complaints were made by the Subjects of *Denmark*. But, so soon as the *Hambro'* Money was fixed at sixteen *per Cent.* though the *Agio* of the *Danish* has continued ever since from 16½ to 19 or 20 at the highest, the Grievance is looked upon to be insupportable. The Disparity is too great not to appear at first Sight. What Influence the new Regulations of the *Hambro'* Mint may have had on this Difference, we shall not at present examine. It is sufficient, that from that Time the *Danes* have not been obliged to purchase the Specie of this City at near so high a Rate as formerly.

6. The Experience of former Times shews, that the *Agio* would infallibly rise higher, if the Current-Bank was suppressed, and Things run into their old Confusion, which God forbid! For then the *Hambro'* Money, circulating promiscuously with the *Danish*, would increase the Quantity considerably, and so

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the two Sorts of Coins together, being under no Restraint, would be extravagant in their Course. And we may leave it to the Decision of the *Danes* themselves, whether they are like to find their Account in sharing with *Hamburgh* in the common Calamity: especially if it should be attended with such another pernicious Alteration in the Standard of the Coin, as we have lived to see. Nor can any Guaranty in the World be sufficient to provide against a Return of the same Evil upon the like Exigencies.

7. The Argument abovementioned of a small Difference of 16 to 19 *per Cent.* urged for the Abolition of the Current-Bank, and all that belongs to it, is too weak to draw after it such weighty Consequences. The direct Trade of *Denmark* with *England*, *France*, *&c.* is the Reason of this Difference in the *Agio*. In carrying on this Commerce the *Danish* Merchants make use of the Bankers of this City, who do not receive the least Profit from the Difference of the *Agio*. And yet this Argument is still urged for obliging the *Hamburghers* to cancel those Laws and Regulations, which they have made for the Security and Advantage of themselves, and of other Nations trading with them.

8. Supposing, that suppressing the Current-Bank were advantageous to the *Danish* Merchants, they are certainly the only People in the World that desire it. For all other Nations, that carry on a much greater and more important Commerce with *Hamburgh*, are very well satisfied

fied with this Bank, and the Unchangeableness of the *Agio*; for by this Means they can trade hither with less Uncertainty, being thereby enabled to calculate exactly the Profits arising from their Traffick.

It is very plain, from what has been alledged, that the Subjects of *Denmark*, who have any Dealings with *Hamburgh*, are so far from sustaining any Damage by the City-Edict, Current-Bank, or new Money, that in certain Respects they have an Advantage thereby. So that the Resentment the *Danish* Court shews openly against the Regulations of the Current-Bank, and the pretended Damages resulting from thence, serve only to conceal some other Views. What these are, has been insinuated in too plain a manner for the City to be ignorant of them.

Our first Point, relating to the Inoffensiveness of the Current-Bank, and its Regulations, seems to be sufficiently cleared. If moreover, in the second Place, we produce some of the principal Reasons, which, according to all Appearance, have given Occasion to a small Rise of the *Agio* of the *Danish* Current Money in respect of Specie, no Shadow of Pretence will be left for accusing and complaining of the Constitutions of the Current Bank, or the unchangeable *Agio* of the *Hambro'* Coin.

It has been observed before, that the Quantity of Coin ought to be proportioned to the Trade of any Place or Country. This is an indisputable Truth; but as it may seem a Paradox, that the Quantity of Money

in any Country can be hurtful to its Commerce, it will ſtand in need of ſome Explication. To put the Matter in a true Light, we muſt enquire: Whether there be only one Coin in a Country, or more Sorts, that differ from one another in their intrinſick Value. And then, whether ſuch Money be only made uſe of in the purchaſing the Product of that Country, or be likewiſe employed in the Payment of ſuch Commodities as come from abroad.

If a Country has only one ſort of Coin, and employs it wholly in the Inland Trade, without ſtanding in need of foreign Wares; let the Quantity be never ſo great, and the intrinſick Value never ſo ſmall, it can receive no Damage. On the other Side, when two ſorts of Coin are extant, that differ remarkably in their real Value, and a Trade be carried on with foreign Nations, wherein the beſt ſort of Coin can alone be employed in Remittances; then it is evident, that if there be in that Country but a very moderate Quantity of this Sort, and immenſe Sums of the other, it will be a great Obſtruction to its foreign Trade; becauſe the better ſort of Coin muſt be purchaſed by the worſe at a very high Rate or *Agio*. And conſequently the baſer ſort, which can only be employed at Home, being in too great Abundance, in proportion to the better ſort of general Uſe, muſt neceſſarily be detrimental to that Country.

This is preciſely the Caſe of the Current Money in *Denmark*. That Kingdom cannot well be without the Products of foreign Countries, nor can Payments

ments be made in *England*, *France*, or *Holland* in the *Danish* Coin, which is neither current nor known in those Parts; the *Danes* therefore are obliged to buy Bills of Exchange with Specie of the Empire; and as there is but little of that Coin in *Denmark*, or in any other Part of this Neighbourhood, they must necessarily have recourse to *Hamburgh*. The *Hamburghers* make use of this Specie-Money themselves, not only in their Commerce with other Nations, but likewise in their domestick Concerns. All Immovables in *Hamburgh* are bought, and all large Sums of Money lent out at Interest, and repaid in Specie. Consequently the greater Demand there is in *Denmark* for Specie-Money, in order to carry on their Traffick with other Nations, during the Prohibition of Trade with *Hamburgh*, the higher the *Agio* must naturally rise here with regard to Specie, though the City had never ascertained the *Agio* of their Money, or erected the Current-Bank. For the *Danish* Current Coin is not only 24 to 26 per Cent. inferior to Specie in real Value, but there are Millions of *Danish* Current Money that cannot be made use of in the Foreign, and are much more than proportioned to their Home Trade. If there were not such an Overplus of *Danish* Coin, Specie would be cheaper, as appeared in Fact before the fatal Alteration of the Coin in 1710.

We hope it will not be taken amiss, if we observe on this Occasion, how beneficial this persecuted City is to the Kingdom of *Denmark* upon this as well as other Ac-

counts; ſince the *Daniſh* Subjects can ſtill purchaſe of the *Hamburghers* Specie at 17, 18 or 19 *per Cent.* by reaſon of the good Regulations of their Specie-Bank; whereas, did this not exiſt, they would be obliged to buy Bank-Money at the intrinſick Value, as is practiſed over all *Germany*, and elſewhere, and to pay 124 Dollars of their reduced Money, and 126 Dollars of that coined ſince the Year 1726, for one hundred Dollars Specie: And conſequently they can have it here Four, Five, or Six *per Cent.* cheaper than in other Places.

The Prohibition of Commerce with *Hamburgh* is without doubt another great Reaſon of the Riſe of the *Daniſh Agio.*

As long as the Trade was open, the Merchants of *Denmark* bought in *Hamburgh* with their own Coin the greateſt Part of thoſe Goods they are now obliged to ſend for to other foreign Markets: And, beſides the Advantage of their being preſent to ſee the Aſſortments, a Year's Credit was given them, and Payment ſeldom made in leſs than eighteen Months, within which time they generally reſold thoſe Goods in their own Country. And, on the other Side, the *Hambro'* Merchants uſed to take off their Hands in Exchange for Wares a much greater Quantity of the Growth and Product of *Denmark*, than they probably do at preſent, and ſuch Effects as they could hardly diſpoſe of in Payment to other Nations. By bartering in this manner the Commodities of both Countries one a-

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gainſt the other, the Ballance of Trade was very near equal, ſo that the *Danes* had little Occaſion for Specie: For, as to foreign Remittances, they were ſo few and inconſiderable at that Time, unleſs in extrordinary Caſes, as not to come under our Obſervation.

It may be further added, that the *Daniſh* Money the *Hambro'* Merchants received in Payment for their Effects, was not ſent hither all at once in large Sums, but at ſeveral Times to different Perſons. Theſe had either Opportunities to lay out this Money again in *Denmark* or *Holſtein*, without exchanging it, or, according to their Conveniency, they kept part of it in Caſh, having no immediate Occaſion for Specie. If a Loſs was ſuſtained in the mean time by the Variation of the *Agio*, it was all their own, the *Daniſh* Merchants not being concerned therein. By theſe Means there was not that Demand for Specie all at once, and in ſuch vaſt Quantities, as inſtantly to affect the *Agio*.

But now, on the contrary, as the Merchants in *Denmark* and *Daniſh Holſtein*, have been obliged for eight Years paſt, to carry on a direct Trade with foreign Nations, they have not that large Credit in thoſe Parts, which the *Hamburghers* indulged them with here: And as their Payments can be made no otherwiſe than by means of the Specie-Bank of *Hamburgh*, they are neceſſitated to remit their Monies hither, Current or Crowns, at once, and in large Sums, to be converted into Specie for their Account without Loſs of Time, in order to purchaſe Bills of Exchange.

Is it then any Wonder, that the *Agio* ſhould riſe two or three *per Cent.* when there is ſuch a Run upon the Specie-Bank. It is certain, the Circumſtances above-mentioned would have raiſed it much higher, if the *Hamburghers* had not all this Time, to their great Prejudice, ſuffered the *Daniſh* Coin to paſs currently in this City, though it viſibly obſtructs the Circulation of their own Money.

It may be further conſidered, that if there were no Interruption of Trade, the Merchant in *Hamburgh* would not eaſily diſoblige his Correſpondent in *Denmark*, *Sleſwick* or *Holſtein*, with whom he had other Dealings, by refuſing to accommodate him with Specie at a reaſonable *Agio*, whenever he had Occaſion to make foreign Remittances. Beſides, the *Daniſh* Trader having more than one Correſpondent here, or Acquaintance with other Merchants, if one ſet too high a Price upon his Specie, might addreſs himſelf to a ſecond, or a third, who would furniſh him at a cheaper Rate. But at preſent there may be but few Merchants here that would be fond of ſuch Commiſſions for Half *per Cent.* Proviſion. And therefore the *Daniſh* Trader having no great Choice, is obliged to take Specie from any Hand that will ſupply his preſent Occaſion.

To all that has been ſaid we may add, that beſides the common Occurrences of Trade, there are at preſent ſome extraordinary Circumſtances too tender to be touch-

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ed upon in this Place, which require making large Remittances of *Danish* Crowns and Current Money for *Hamburgh*.

We shall only mention one of them. The present War, for Instance, occasions necessarily a great Demand of Florins for the Service of the Army upon the *Rhine*: And therefore the Course of them is considerably lowered, as well with respect to *Danish* and *Hambro'* Current Money, as to Specie. What Reason then can the *Danes* have to attribute the Rise of their *Agio* to the new *Hambro'* Money, and not rather to the Florins? The *Danish* Coin being frequently exchanged for Florins, according to their Course in respect of Specie; but never directly or indirectly for the *Hambro'* Current Money.

In the last Place, we cannot forbear taking notice of the considerable Sums of Specie that are annually taken out of the Bank of *Hamburgh* for the Use of the *Danish* East-India Company, and, in direct Opposition to the Laws of the Empire, exported to the East-Indies, from whence none ever is brought back again.

This is still another Reason, why Specie must inevitably grow scarce and dear with respect to the *Danish* Current Money, and the *Agio* rise. Therefore how can it be in the Power of a single Town to remove all these Obstructions it has not given any Occasion to, and to procure the *Danish* Coin a better Course: when the Undertaking might really prove too difficult for the greatest

Monarch? And muſt not every one think it a great Hardſhip, that an innocent City, which is of daily Advantage, and, in ſeveral reſpects, indiſpenſably neceſſary to the Kingdom of *Denmark*, and that deſerves a much kinder Uſage, ſhould be brought into ſo many vexatious Difficulties and Straits, contrary to all the dear-bought Conventions, that have been ratified under the Royal Hand and Seal; wherein expreſs Aſſurances are given the *Hamburghers*:

> *That their Commerce ſhould not be moleſted, either in or out of* Denmark, *by Reprizals, Arreſts, Diſtrainings, or other violent Means; but all Differences ariſing ſhould be amicably compoſed, or determined according to the Laws and Conſtitutions of the ſacred* Roman *Empire.*

THEIR only Conſolation, under Heaven, is, that they have to do with a PRINCE, who is univerſally revered for his Equity and Love of Juſtice. And as the late KING, His Father of Glorious Memory, has, by the Patent of 1726 for the Reduction of the Coin to its preſent Standard, ſufficiently juſtified them with regard to their Sufferings in the Year 1717. So they doubt not, but, in like manner, His preſent DANISH Majeſty (whom GOD grant a long and happy Reign) will at laſt be graciouſly inclined to acquieſce in theſe Proofs of their Innocence, and leave them in the free

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and uninterrupted Enjoyment of their Rights and Privileges, as the only Situation that has rendered them hitherto useful, or that can enable them, with the Divine Assistance, to be further serviceable to His Majesty's respective Countries, and Subjects in this Neighbourhood.

F I N I S.

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