

**THE GOLD TREASURE OF INDIA; AN  
ENQUIRY INTO ITS AMOUNT, THE  
CAUSES OF ITS ACCUMULATION,  
AND THE PROPER MEANS OF  
USING IT AS MONEY**

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649127375

The gold treasure of India; an enquiry into its amount, the causes of its accumulation, and the proper means of using it as money by Clarmont Daniell

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd.  
Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

[www.triestepublishing.com](http://www.triestepublishing.com)

**CLARMONT DANIELL**

**THE GOLD TREASURE OF INDIA; AN  
ENQUIRY INTO ITS AMOUNT, THE  
CAUSES OF ITS ACCUMULATION,  
AND THE PROPER MEANS OF  
USING IT AS MONEY**



# THE GOLD TREASURE

OF

# INDIA

*AN ENQUIRY INTO ITS AMOUNT  
THE CAUSES OF ITS ACCUMULATION  
AND THE PROPER MEANS OF USING IT AS  
MONEY*

BY

CLARMONT DANIELI, B.C.S.

FELLOW OF THE CALCUTTA UNIVERSITY.

LONDON

KEGAN PAUL, TRENCH & CO., 1 PATERNOSTER SQUARE

1884

H  
245  
1822

## CONTENTS.

	PAGE
Introductory ... ..	1
Mines of the Ancient World ... ..	7
Distribution of the Precious Metals ... ..	10
Phœnician or Tyrian, Jewish, and Babylonian Trade Routes	13
Egyptian Trade Routes ... ..	22
Italian and other European Trade Routes ... ..	25
Indian Trade Routes in Asia ... ..	31
Character of the Indian Trade ... ..	38
Gold in Ceylon ... ..	43
Gold in Northern Asia ... ..	45
Gold in Southern India ... ..	47
Causes attracting the Precious Metals to India ... ..	51
Drain of Gold to India ... ..	52
Causes regulating the Exchange Value of Money. The Stability of Value of Gold ... ..	55
Cost of Production, its Influence on the Value of Money ...	60
Law of Supply and Demand ... ..	70
Bimetallism and the Fixed Ratio ... ..	78
Ratio of Gold to Silver in the East and West compared ...	83
Gold Coin formerly Current in India ... ..	96
Desire of People of India for Gold Coin ... ..	101

	PAGE
Plan for circulating Gold Money ... ..	104
Argument for First Proposal ... ..	106
Argument for Second Proposal ... ..	111
Argument for Third Proposal ... ..	116
Relative Value of Gold and Silver ascertained by this Measure	123
Silver will become more, not less Stable in Value ... ..	125
Question of a Common Measure Examined ... ..	130
Alterations in the State Rate of Conversion would seldom occur	142
Loss by Exchange is more Apparent than Real ... ..	151
Good Money is Consistent with an Unfixed Rate of Exchange ...	156
Case for an Alteration of the Rate of Exchange ... ..	164
Argument for Fourth and Fifth Proposals ... ..	170
Effect of Displaced Silver on the Price of Gold ... ..	171
Stability of Silver Values in India ... ..	182
The Custom of Barter should be Discouraged ... ..	185
Reason why a Sudden Rise of Prices will not occur ... ..	192
Beneficial Effect of Enhanced Prices ... ..	195
Effect of the English System on Indian Commerce ... ..	200
Exclusive Use of Silver Coin a Restraint on Trade ... ..	211
Levy of Revenue in Gold ... ..	213
Results of the Scheme ... ..	215

# THE GOLD TREASURE OF INDIA.



## INTRODUCTORY.

THE tendency of the precious metals to accumulate in Asia, has long attracted public attention, and certain classes of people are described by economists to have suffered a loss, not easily perceptible, but nevertheless actual, and in the aggregate of considerable dimensions, from an enhancement in the value of gold as against commodities, during the last few years. While the drain of gold from Europe and America shows no sign of diminishing, the Government of India is constrained to spend about thirty millions more of its silver or rupee revenues, in purchasing sovereigns for the settlement of its liabilities in England, than would be necessary if gold were lower or silver higher in value when exchanging with one another than is the case at present.



So far as the amount of this sum depends on a remediable over-valuation of gold, it might be reduced by additions to the stock of that metal available for use as money.

So far as it depends on the depreciation of silver in the gold valuation, any measure tending to bring into use the discarded silver money of the European world would tend to raise its value.

An endeavour is therefore made in the following pages to sketch the history of the precious metals in connection with the trade between India and foreign countries from the earliest ages, to describe the causes always in operation which directed the course of gold and silver to India, to estimate the stock of gold which has been under process of accumulation in India during more than twenty-five centuries, and to urge (not for the first time) on the consideration of those interested in this subject the importance of liberating the vast gold treasure hoarded in India (which the following observations will show to exceed considerably £200,000,000 in value), and, by making it available for use as money, to reduce the value of gold as a purchasing agent to its natural proportions.

For the scheme discussed in these pages there is also claimed this effect, that it will provide a stimulus to the use of silver by widening the foreign

market for the productions of India, and by increasing the capacity of her people to purchase manufactured goods from the West; and that it will generally encourage the use of silver as coin by making it interchangeable with gold on terms which preclude either metal obtaining any advantage over the other, the interchange of the gold and silver current coin being strictly regulated by the intrinsic value at which for the time being the one stands to the other.

