

**MONEY AND TRADE
CONSIDERED: WITH A PROPOSAL
FOR SUPPLYING THE NATION
WITH MONEY. FIRST PUBLISHED
AT EDINBURGH MDCCV**

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Money and trade considered: with a proposal for supplying the nation with money. First published at Edinburgh MDCCV by John Law

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JOHN LAW

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M O N E Y

A N D

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C O N S I D E R E D :

WITH A PROPOSAL FOR SUPPLYING
THE NATION WITH MONEY.

FIRST PUBLISHED AT EDINBURGH MDCCV.

BY THE CELEBRATED

J O H N L A W, E S Q ;

AFTERWARD

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MONEY AND TRADE

CONSIDERED.

THERE are several proposals offer'd to remedy the difficulties the nation is under from the great scarcity of money.

That a right judgment may be made, which will be most safe, advantageous and practicable ; it seems necessary, 1. that the nature of money be inquired into, and why silver was used as money preferable to other goods. 2. that trade be considered, and how far money affects trade. 3. that the measures have been used for preserving and increasing money, and these now proposed, be examined.

How goods are valued. of barter. of silver ; its value as a metal ; its qualities fitting it for money ; and of the additional value it received from being used as money.

Goods have a value from the uses they are applyed to ; and their value is greater or lesser, not so much from their more or less valuable, or necessary uses, as from the greater or lesser quantity of them in proportion to the demand for them. example ; water is of great use, yet of little value ; because the quantity of water is much greater than the demand for it. diamonds are of little use, yet of great value, because the demand for diamonds is much greater, than the quantity of them.

Goods of the same kind differ in value, from any difference in their

quality, one horse is better than another horse. barley of one country is better than barley of another country.

Goods change their value, from any change in their quantity, or in the demand for them. if oats be in greater quantity than last year, and the demand the same, or lesser, oats will be less valuable.

Mr. Locke says, the value of goods is according to their quantity in proportion to their vent. the vent of goods cannot be greater than the quantity, but the demand may be greater: if the quantity of wine brought from France be a 100 ton, and the demand be for 500 ton, the demand is greater than the vent; and the 100 ton will sell at a higher price,

than if the demand were only equal to the vent. So the prices of goods are not according to the quantity in proportion to the vent, but in proportion to the demand.

Before the use of money was known, goods were exchanged by barter, or contract; and contracts were made payable in goods.

This state of barter was inconvenient, and disadvantageous. 1. he who desired to barter would not always find people who wanted the goods he had, and had such goods as he desired in exchange.

2. Contracts taken payable in goods were uncertain, for goods of the same kind differed in value.

3. There was no measure by which the proportion of value goods

had to one another could be known.

In this state of barter there was little trade, and few arts-men. the people depended on the landed-men. the landed-men laboured only so much of the land as served the occasions of their families, to barter for such necessaries as their land did not produce ; and to lay up for seed and bad years. what remained was unlaboured ; or gifted on condition of vassalage, and other services.

The losses and difficulties that attended barter, would force the landed-men to a greater consumption of the goods of their own product, and a lesser consumption of other goods ; or to supply themselves, they would turn the land to the product of the several goods they had occasion for ; tho'