

GOLD, SILVER AND THE DOUBLE-FLORIN

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'THERE can be no more perplexing coin than the 4s. piece . . .'.¹ It is difficult, perhaps, not to feel sympathy for the disgruntled Member of Parliament who in July 1891 expressed his unhappiness with the double-florin.¹ Not only had it been an unprecedented addition to the range of silver currency when it made its appearance among the Jubilee coins in the summer of 1887, but its introduction had also coincided with the revival after an interval of some forty years of the historic crown piece. With the two coins being inconveniently close in size, weight and value (Figure 1), confusion and collision were inevitable and cries of disbelief greeted the Chancellor of the Exchequer, George Goschen, when he claimed in the House of Commons that 'there can hardly be said to be any similarity between the double florin and the crown'.²

Complaints were widespread and minting of the double-florin ceased in August 1890 after scarcely more than three years. Its fate was effectively sealed shortly afterwards when an official committee on the design of coins, appointed by Goschen, agreed at its first meeting in February 1891 that it was undesirable to retain in circulation two large coins so nearly similar in size and value and decided unanimously to recommend the withdrawal of the double-florin.³ Its demise passed without regret, *The Daily Telegraph* recalling a year or two later that it had been universally disliked, blessing neither him who gave nor him who took.⁴ As for the



Fig. 1: Victorian double-florin of 1887.

Acknowledgements. An early version of this paper formed the second part of my 1994 Presidential Address. I have taken the opportunity to extend it somewhat and to give it footnotes, but in its broad outline it remains as delivered at the Anniversary Meeting.

I am grateful to Dr C.E. Challis and Mr H.E. Pagan for their comments and to the latter in particular for directing me to the diary of Sir Edward Hamilton, best known as one of Gladstone's private secretaries but who as a senior Treasury official advised successive Chancellors of the Exchequer on financial matters from 1885 until 1907.

¹ *Parliamentary Debates*, 3rd ser. 355, col. 1454 (16 July 1891).

² *Parliamentary Debates*, 3rd ser. 342, col. 874 (14 March 1890).

³ PRO, Mint 7/54 and 7/55 (12 February 1891). For the initial report of the committee (11 March 1892), see Mint 7/59 and for the amended report (17 May 1892) Mint 7/60, both of which include a recommendation that the issue of the double-florin should be discontinued.

⁴ *The Daily Telegraph*, 31 January 1893. Although some seventy per cent had been withdrawn by 1914, the double-florin did not entirely disappear and worn specimens could still be found in the Royal Mint's silver recovery operations in the early 1960s. At different times its revival was suggested, preparations even reaching the stage of trial pieces in 1950.

crown, it fared little better and, despite the active support of the Government, limped along for just another ten years or so before it, too, was abandoned as a circulating coin of the realm.

For an explanation of this curious and short-lived experiment with double-florins it should be sufficient to turn to the *Annual Reports* of Charles Fremantle, Deputy Master of the Mint from 1868 until his retirement in 1894. His published *Reports*, begun in 1870, are written with a degree of openness and frankness, yet in referring to the introduction of the double-florin he says only that 'it remains to be seen whether this handsome coin will be generally popular'.⁵ Nor does he have a great deal more to add in an article on the Jubilee coins which he contributed in June 1887 to *Murray's Magazine*, where he writes a little lamely and inelegantly that 'it is possible that the introduction of a larger piece than those which we have hitherto been in the habit of using, in the shape of the double florin, may in many ways be found useful'.⁶ His reticence extends to the surviving Mint records in the Public Record Office, where no formal justification for the issue of the double-florin has yet been traced.

For those familiar with Fremantle's *Annual Reports*, a suspicion suggests itself that the Deputy Master was in some kind of difficulty. What that difficulty might have been is not clear: perhaps there were broader aspects of public policy involved to which he preferred not to draw attention or, more simply, it may be that he was being instructed to issue the new coin against his better judgement. Certainly on an earlier occasion, when the possible issue of a double-florin was being promoted in 1874 by J.G. Hubbard, a Director of the Bank of England, Fremantle had challenged virtually every argument advanced in its favour.⁷ And there is evidence that the passage of time had not modified his opposition, for in December 1887 he was to be found telling his opposite number at the Sydney branch of the Royal Mint that he doubted if the double-florin would 'ever be in great demand', explaining somewhat cryptically that the circumstances which had led to its introduction were 'very complicated'.⁸

The Treasury records are also less than helpful and *Hansard*, too, brings frustration rather than enlightenment. Although there are a number of Parliamentary references to the double-florin, most of them unfriendly, nowhere do they elicit a direct explanation of what the Government intended. For instance, on 23 May 1887, when news of its impending introduction had become public knowledge, Goschen was asked in the House of Commons if he would increase the issue of shillings and sixpences instead of adding to the already excessive supply of large silver coins by the issue of double-florins. Here was an opportunity to write into the record a concise justification of the new coin, but instead Members were treated to a tedious account of how silver coins were distributed and how the shortage of small silver could be remedied simply by the public demanding more shillings and sixpences from their bankers. Of the double-florin the Chancellor chose to say nothing.⁹

In one sense the absence of public justification worked to the advantage of the Government, for when the experiment proved to be a failure it could just as quietly be forgotten. But at the same time the lack of official explanation has left the way clear for unwise speculation. There are those, for instance, who believe that double-florins were issued merely because a friend of Queen Victoria thought they would be useful in his business.¹⁰ An even more frivolous explanation was offered by *The Times* in May 1887. The double-florin, it suggested with its tongue firmly in its cheek, would enable superior persons to tip more generously: since, it

⁵ *Royal Mint, 17th Annual Report* (1886), p. 21.

⁶ *Murray's Magazine*, June 1887, p. 750.

⁷ PRO, Mint 9/107. Hubbard wrote to Gladstone on 1 January 1874, while Fremantle's views are contained in his memorandum of 10 January 1874. This was not the first time that Hubbard had suggested such a coin, but the earlier gold patterns of 1868 relate not to this but to an interest in an

international coinage, based on gold, in which a four-shilling piece was equivalent to five francs.

⁸ PRO, Mint 17/25. Fremantle to Robert Hunt, 16 December 1887.

⁹ *Parliamentary Debates*, 3rd ser. 315, cols 873-5 (23 May 1887).

¹⁰ Royal Mint Library, double-florin file.

said, the chief use of the florin had been to supersede the half-crown as the coin employed for this purpose, the double-florin would now enable the balance to be redressed in favour of the recipients.¹¹

Rather more credence, perhaps, can be placed in the view of Sir John Clapham, who in 1944 saw the double-florin as 'a half-hearted concession to admirers of the decimal system'.¹² Here at least the ground seems firmer for numismatists, familiar with the fact that the florin had been introduced in 1849 as a first step towards decimal coinage. And there is encouragement for such a view in an official Mint report of April 1853, signed by Sir John Herschel as Master of the Mint, which claimed that a silver double-florin 'would have the advantage of being a simple integer element (.2£) in the decimal subdivision of the Pound'.¹³ In 1853, however, the decimal lobby had been vigorous and active, whereas by 1887 its voice was muted and no concessions were necessary to keep it at bay.

Indeed Goschen and *The Times* in the summer of 1887 were at one in detecting little or no sign of a strong tide of public opinion in favour of decimal coinage.¹⁴ As for any link with the double-florin, *The Times* specifically denied a connection. 'The double florin', it wrote, 'is obviously not a tenth of anything, and is not even any divisor of a half-sovereign; so that its adoption may be regarded as a definite renunciation of the decimalists and all their works'. But why there should be a double-florin at all *The Times* confessed itself at a loss. There was nothing that cost four shillings; the coin would be 'very heavy, very large, and very inconvenient', and precedent, both at home and in France, suggested all too clearly that these were disadvantages too great to be overlooked.¹⁵ One hundred years later it is possible to compliment *The Times* on its foresight but difficult to supply an explanation when none was seemingly available at the time.

John Evans, in his Presidential Address to the Numismatic Society of London on 16 June 1887, did nothing to dispel the mystery, observing only that the utility of the double-florin 'has still to be tested'.¹⁶ Nevertheless, such absence of explanation should not be taken to mean that the new coin was without rational justification. As long ago as 1868 Ernest Seyd had suggested that a double-florin, being lighter, would be more convenient than the crown and would provide an appropriate intermediate link between the florin and the half-sovereign.¹⁷ Even to a sceptic like Fremantle it had seemed possible in 1874 that the coin might prove acceptable to bankers and employers of labour and might relieve the Mint of some of the demand for small silver coins. And temporarily this may well have been the case, for when Fremantle reported the substantial issues of double-florins and crowns in the record year of 1889 (Table 1) he suggested that the demand had come mainly from large employers for the payment of wages.¹⁸ It was a result which had to an extent been engineered by the Government, partly by its deliberate use of the coins in paying its own employees and partly by its agreement from 31 May 1889 to reimburse the Bank of England, at the rate of five shillings per £100, for distributing silver coins to its branches and to provincial applicants. For this latter concession Goschen took full credit in his

¹¹ *The Times*, 19 May 1887.

¹² Sir John Clapham, *The Bank of England: A History*, 2 vols (Cambridge, 1944), II, p. 315.

¹³ PRO, Mint 1/42, pp. 146–9 (29 April 1853). For another reference by Herschel to the double-florin, see the entry for 28 December 1850 in the transcript of his diary in the Library of the Royal Society.

¹⁴ *The Times*, 9 June and 10 June 1887. For Goschen's views, see also *Parliamentary Debates*, 3rd ser. 315, cols 149–51 (16 May 1887) and PRO, T16S/11.

¹⁵ *The Times*, 19 May 1887. Sir William Harcourt, however,

was later to use the failure of the double-florin as an indication of popular hostility to the idea of decimal coinage when, as Chancellor, he met a deputation of decimal enthusiasts in January 1893 (PRO, T16S/11).

¹⁶ NC, 3rd ser. 7 (1887), proceedings, p. 24.

¹⁷ Ernest Seyd, *Bullion and Foreign Exchanges* (London, 1868), p. 673.

¹⁸ *Royal Mint, 20th Annual Report* (1889), p. 10. See also PRO, Mint 9/22, Fremantle to Hamilton, 28 March 1890; and also Royal Mint Library, bundle of miscellaneous correspondence with Bank of England, *passim*.

Budget Statement the following year, claiming that the 'infinitesimal sacrifice' to the public purse had set free the flow of silver.¹⁹

At the same time as it promoted silver, from which it derived an immediate gain of some twenty per cent or more by way of seignorage, so the Government discouraged the use of gold half-sovereigns, and it is here that one of the underlying reasons for the introduction of the double-florin begins to emerge. What had in fact prompted the earlier suggestion from Hubbard was the notion that the double-florin would reduce the need for half-sovereigns, 'the most costly coin that we have'.²⁰ Hubbard undoubtedly had in mind that it took only ten years or so for a half-sovereign to wear below the least current weight and therefore, in theory, to fall out of circulation. And he may also have known that the life was not long and that it was difficult to keep the struck weight of the half-sovereign within the tight limit set by the Coinage Act of 1870, so that on average something like forty-five per cent were rejected by the automatic balances and never left the Mint.²¹

TABLE 1: Double-Florins and Crowns struck by the Royal Mint, 1887–1902

	Double-Florin			Number of pieces	Crown			Number of pieces
	£	s	d		£	s	d	
1887	96,669	8	0	483,347	68,395	5	0	273,581
1888	48,668	0	0	243,340	32,974	15	0	131,899
1889	237,022	4	0	1,185,111	451,805	15	0	1,807,223
1890	156,429	4	0	782,146	249,465	10	0	997,862
1891	—	—	—	—	141,598	10	0	566,394
1892	—	—	—	—	112,833	10	0	451,334
1893	—	—	—	—	124,461	5	0	497,845
1894	—	—	—	—	36,226	10	0	144,906
1895	—	—	—	—	63,215	10	0	252,862
1896	—	—	—	—	79,399	15	0	317,599
1897	—	—	—	—	65,529	10	0	262,118
1898	—	—	—	—	40,362	10	0	161,450
1899	—	—	—	—	41,575	0	0	166,300
1900	—	—	—	—	88,339	0	0	353,356
1901	—	—	—	—	—	—	—	—
1902	—	—	—	—	64,005	0	0	256,020
Total	538,788	16	0	2,693,944	1,660,187	5	0	6,640,749

Source: *Royal Mint, 18th–33rd Annual Reports (1887–1902)*.

Unprotected as it was by the international prestige that had attached itself to the sovereign,²² the half-sovereign was not a popular coin in official circles and by the mid 1880s opinion against it had hardened. A somewhat odd proposal in 1884 to demote it to the status of a token coin by reducing its weight had had to be abandoned,²³ but in September 1886 Lord Randolph Churchill, newly appointed as Chancellor, replied sympathetically to a proposal in the

¹⁹ *Parliamentary Debates*, 3rd ser. 343, cols 700–01 (17 April 1890). See also PRO, Mint 1/49, pp. 126–8 and 132; Mint 9/22 (Fremantle to Hamilton, 28 March 1890); and copy of letter from Association of English Country Bankers to Goschen, 1 February 1888, in Royal Mint Library, bundle of miscellaneous correspondence with Bank of England.

²⁰ PRO, Mint 9/107, Hubbard to Gladstone, 1 January 1874.

²¹ *Royal Mint, Annual Reports (passim)*.

²² See, for example, the comment by Hugh Childers when Chancellor of the Exchequer that the half-sovereign 'is not an

international, but a purely domestic coin': *Parliamentary Debates*, 3rd ser. 287, col. 518 (24 April 1884).

²³ *Parliamentary Debates*, 3rd ser. 287, cols 515–21 (24 April 1884); *Royal Mint, 14th Annual Report (1883)*, pp. 35–6 and *15th Annual Report (1884)*, p. 35. See also Spencer Childers, *The Life and Correspondence of the Right Hon. Hugh C.E. Childers 1827–1896*, 2 vols (London, 1901), II, pp. 159–61 and R.H. Inglis Palgrave, 'The Gold Coinage: Position of Matters at the Present Time' in the *Journal of the Institute of Bankers*, vol. 5, part 9 (December 1884), pp. 547–622.

Commons that the half-sovereign should be replaced by silver coins. Although not ready to deal with a question 'of very large and wide range', he left no doubt that withdrawal was an option worthy of consideration and that he was not aware of any great or overwhelming objection to such a course.²⁴ These were not mere words, for Winston Churchill was right to say later that his father 'harboured a deadly design against the half-sovereign - "that profligate little coin" - which he believed was an expensive and unnecessary feature of British currency'.²⁵

Churchill in fact at once authorized Fremantle to investigate. Having been given permission to raise the matter confidentially with the Bank of England, Fremantle was able to preface his report of 17 September 1886 with the clear statement that the Bank was strongly of the view that 'the Half-sovereign held such an important place in the currency system that public feeling would be most decidedly against the abolition of the coin'. Evidently sure of its ground, the Bank suggested that opinions should be sought from others in the City, from employers of labour, and from the larger retail firms. Fremantle, having thus done justice to his friends at the Bank, then turned his attention to the specific points which had been raised by the Chancellor, namely the cost and method of withdrawal, the saving in expense by discontinuing their issue, and the gain from seignorage which would accrue to the Exchequer by the substitution of silver coins. This last Fremantle found difficult to calculate, especially as some of the half-sovereigns would most probably be replaced by sovereigns, and disappointingly in the present context he made no comment about the form that the extra silver would take.²⁶

Fremantle's report was passed to the Chancellor by Sir Reginald Welby, the Permanent Secretary to the Treasury.²⁷ Whilst advising against any action during the Parliamentary recess, an intemperate step apparently in the Chancellor's mind, Welby told Churchill that he saw no difficulty in principle, adding that even the most rigid supporter of the gold standard might applaud the proposal to get rid of a very expensive coin. Of the concern in Threadneedle Street Welby was dismissive, always finding the Bank 'very timid - and of course careless about the interest of the Exchequer in such points'. But, in a clear indication that a double-florin was not yet in contemplation, he warned that opposition might grow as people found that 'four half crowns are much more troublesome to carry than half a sovereign'.

Churchill remained keen to proceed, undeterred by any personal apprehension that 'as it is essentially the coin of the rich he will have to be prepared for no small outcry from his Pall Mall friends'.²⁸ Fremantle explored on the Chancellor's behalf the extent of the circulation of small gold coins on the Continent,²⁹ and by November the proposal had matured into a wide-ranging reform of the gold coinage, the condition of which had long been thought a disgrace and of which some fifty-five per cent was estimated to be below the least current weight. Gold was to be replaced in part by an issue of one pound notes, and Welby and Fremantle now put together a joint memorandum summarising the views of the Chancellor and suggesting the measures by which Churchill's proposals could be given effect in the best and cheapest manner.³⁰ They believed it probable that a large proportion of the £20,000,000 of half-

²⁴ *Parliamentary Debates*, 3rd ser. 309, cols 102-07 (10 September 1886). See also Hamilton's Diary: BL, Add. Ms. 48, 644, fols 116-7 (11 September 1886).

²⁵ Winston S. Churchill, *Lord Randolph Churchill* (London, [1952]), p. 539.

²⁶ PRO, Mint 9/123, Fremantle to Chancellor of the Exchequer, 17 September 1886.

²⁷ PRO, Mint 9/123, Welby to Chancellor of the Exchequer, 21 September 1886.

²⁸ Hamilton's Diary: BL, Add. Ms. 48,644, fol.129 (22 September 1886).

²⁹ PRO, Mint 13/159, memorandum by Fremantle, 5 October 1886.

³⁰ PRO, Mint 9/233, draft memorandum by Welby and Fremantle, 18 November 1886; a preliminary draft of this memorandum is to be found in PRO, Mint 7/16, where it has been incorrectly annotated '1888' by a later hand. See also Hamilton's Diary: BL, Add. Ms. 48,645, fol. 31 (11 November 1886).

sovereigns in circulation would be replaced by one pound notes and sovereigns, but some part would be taken by silver since the half-sovereign was only used as 'change' and in its absence 'change' could only be provided by silver.³¹ This they estimated at a 'strictly prudent' £5,000,000, though they nevertheless proposed a note issue for the full sum of £20,000,000, leaving a balance of £5,000,000 in notes to replace a corresponding amount of light sovereigns. With the notes backed by a reserve of two-thirds securities and one-third gold, such an exchange would produce a profit that could be funded to provide for the maintenance of the gold coinage for the future.

By the beginning of December, when Churchill circulated his proposals to his Cabinet colleagues, there had been further adjustments.³² The amount of one pound notes had been reduced to a gradual issue of £5,000,000 or £6,000,000, backed only by securities and to be circulated in replacement of an equivalent amount of half-sovereigns. Another portion of the withdrawn half-sovereigns was to be supplanted by £9,000,000 in recoined sovereigns, leaving the remaining £5,000,000 to be profitably replaced by extra silver coins. There is still no reference to the nature of this additional silver, but Churchill's memorandum for the Cabinet was otherwise a model of lucidity and shows something of the force of personality and intellect that had won over the Treasury civil servants.³³

The Chancellor evidently secured a measure of agreement from his colleagues, because a few days later he was able to confide details of the scheme to the Bank of England. In its formal printed reply on 17 December the Bank, notwithstanding what it had apparently said to Fremantle, was now inclined to be noncommittal about the half-sovereign: the fiscal benefits of withdrawal needed to be set against the convenience of the public, the interests of the wage-earning class against those of the wage-paying class, and if the Chancellor were to conclude that the balance of advantage rested with withdrawal then the Bank would not object. But on the issue of one pound notes it was predictably hostile. With the notes reaching less sophisticated elements of society than the higher-value notes currently in circulation, the Bank feared more frequent runs on gold and an increased risk of counterfeiting. Given, too, the cost and short life of the notes, it claimed to be doubtful if their issue would in practice provide anything towards the expense of rehabilitating the gold coinage.³⁴

This was not, however, to be the Bank's only word on the subject. The following day James Currie, the Governor, went along to the Treasury for 'a little informal talk' about the Chancellor's intentions, repeating the view in Threadneedle Street that the cost of the notes would swallow up the whole of the projected profit and that it would be impossible to limit their issue to a particular sum as the Chancellor had in mind. On the question of the half-sovereign, the Governor remained equivocal, believing that withdrawal might be popular with the wage-receiving classes but not with the wage-paying classes. But clearly he accepted what Welby and Fremantle had said about the role of the half-sovereign in change-giving, since the diary of Edward Hamilton, then Principal Clerk of the Finance Division of the Treasury, also notes that the Governor 'would have a silver double florin piece in order to lessen the inconvenience which the withdrawal of the small gold coin would entail on "change"'.³⁵

³¹ This echoed the point made by Fremantle in 1874 that the half-sovereign was the most convenient part of the change given for a sovereign (PRO, Mint 9/107, memorandum by Fremantle, 10 January 1874).

³² PRO, Cab 37/18, memorandum by Chancellor of the Exchequer, 1 December 1886. For the prior adjustment of the proposals see PRO, Mint 7/16, which contains an undated draft memorandum for the Chancellor subsequent to that of 18 November.

³³ Hamilton's Diary: BL, Add. Ms. 48,645, fol. 78 (9

January 1887): 'I am quite sorry to have parted official company with him. It is pleasant to have to work for a man who is not only possessed of great powers but knows his own mind and has the courage of his own opinions'. Churchill, *Lord Randolph Churchill*, p. 535: "'Our anxiety,'" wrote Lord Welby in 1896, "as to our new chief was soon dispelled."

³⁴ Bank of England Letter Book 20, p. 263a (17 December 1886).

³⁵ Hamilton's Diary: BL, Add. Ms. 48,645, fols 59-61 (19 December 1886).

As well as consulting the Bank, Welby and Fremantle had suggested that Churchill should also seek independent opinion.³⁶ He is known to have written to Goschen, soon to be his successor at the Treasury, and also to Sir John Lubbock, the leading representative of the London bankers.³⁷ Like the Bank, Lubbock saw objection to one pound notes, especially without a Parliamentary inquiry, and he thought that it would prove difficult to limit the amount to be issued. He also feared that there would be considerable reluctance to part with the half-sovereign and, significantly, he reminded Churchill that, with the crown never having been popular, the gap between the half-crown and the sovereign would be inconveniently large.

By the time Lubbock's reply reached Churchill, the Chancellor had resigned in spectacular fashion over the Army and Navy estimates. His successor, George Goschen, was a man of entirely different stamp: a former Director of the Bank of England, 'he was', said Churchill, 'the orthodox apostle; he was the canonized saint of financial purity'.³⁸ Edward Hamilton at the Treasury likewise saw the exchange of Goschen for Churchill as 'a great jump from heterodoxy to orthodoxy', quickly becoming aware of Goschen's inexhaustible appetite for detail and, before long, of an 'inability to make up his mind & come to decisions'.³⁹ This was not the man to take over Churchill's bold scheme, especially against the opposition of the bankers, and in his first Budget Statement on 21 April 1887 he asked for more time to consider the question of the gold coinage. For this he was rebuked by Churchill, who pointed out that he had left definite proposals in a more or less finished state. Goschen in reply admitted that the ground had been carefully prepared but added that there were related questions of such complexity that he could not deal hastily with the matter.⁴⁰

It was also clear that the half-sovereign was not without its supporters in the House of Commons, among them Lubbock and Samuel Montagu. Lubbock suggested, moderately enough, that 'the general opinion in mercantile quarters is that the half-sovereign is a very convenient coin', but Montagu spoke with greater passion, describing withdrawal as 'a most startling proposition' and urging that 'we never can abandon the half-sovereign'.⁴¹ When, therefore, the Jubilee coins made their appearance in June 1887 the half-sovereign was as usual to be found among the range of denominations. But so were the traditional crown and the newfangled double-florin, from which it may be deduced that the indecisive Goschen was proceeding by cautious steps, testing the popularity of the half-sovereign and responding as experience revealed the extent to which the half-sovereign might be superseded by one or both of the two large silver coins.

Yet if Goschen drew back from the radical measure contemplated by his predecessor, he was nevertheless no great admirer of the half-sovereign. He condemned it in the House of Commons in March 1887 as a most expensive coin and, while denying that he had the power

³⁶ PRO, Mint 9/233, draft memorandum by Welby and Fremantle, 18 November 1886.

³⁷ Arthur D. Elliot, *The Life of George Joachim Goschen, First Viscount Goschen, 1831-1907*, 2 vols (London, 1911), II, p. 102; Horace G. Hutchinson, *Life of Sir John Lubbock, Lord Avebury*, 2 vols (London, 1914), I, pp. 229-31.

³⁸ *Parliamentary Debates*, 3rd ser. 313, col. 1835 (25 April 1887). Goschen's valedictory letter to the Bank of England drew from the Governor, now David Powell, the significant response that 'it is impossible to forget while reading it that you were yourself "one of us"': Bank of England Letter Book 22, pp. 89-90 (18 August 1892).

³⁹ Hamilton's Diary: BL, Add. Ms. 48,645, fol. 78 (9 January 1887) and fol. 106 (11 February 1887); Add. Ms. 48,648, fol. 15 (13 February 1888). A later reference in the

diary describes Goschen as 'a timid man & most sensitive to criticism': Add. Ms. 48,655, fol. 14 (30 January 1891).

⁴⁰ *Parliamentary Debates*, 3rd ser. 313, cols 1458, 1488-9 and 1509-10 (21 April 1887). Despite subsequently suggesting their issue in 1891, Goschen was never to become an enthusiastic advocate of one pound notes: Viscount Goschen, *Essays and Addresses on Economic Questions (1865-1893) with Introductory Notes (1905)* (London, 1905), p. 130.

⁴¹ *Parliamentary Debates*, 3rd ser. 313, col. 1524 (21 April 1887) and 3rd ser. 315, col. 145 (16 May 1887). Montagu again stoutly defended the half-sovereign in the House of Commons on 16 March 1891: *Parliamentary Debates*, 3rd ser. 351, cols 1174-6.

to suspend its issue, said that it was 'most undesirable' that more should be minted beyond those absolutely necessary.⁴² By the autumn he was in correspondence with Mark Collet, the new Governor of the Bank of England, about economising the use of half-sovereigns by encouraging the circulation of the new silver crowns and double-florins; and this he followed up in January 1888 by asking the Governor to do what he could to limit the issue of half-sovereigns as much as possible without attracting public notice or giving rise to complaint.⁴³ It can therefore hardly have been coincidental that no half-sovereigns were struck at Tower Hill between June 1887 and February 1890, and in his Budget Statement of 1890 Goschen took pride in having controlled the circulation of 'the most expensive coin in the world'.⁴⁴ To some it seemed that the course of events had been dictated by considerations of gain, the Treasury having discovered that there was a loss on half-sovereigns and a large profit on crowns and double-florins.⁴⁵

However that may be, the assault on the half-sovereign provides a perfectly sound reason for the issue of high-value silver coins. If it was approached with a degree of caution and sensitivity this was understandable, for the circulation of silver in place of gold touched something which ran far deeper than purely practical or financial considerations, namely the standard of the British currency. Despite the blandishments of the bimetalists and the calls for international agreement at impressively high-powered conferences in Paris, Britain had remained wedded to the gold standard. Many, perhaps most, agreed with Lord Randolph Churchill that for Britain to be able to afford to use gold so freely might be 'a source of credit to this country',⁴⁶ but even in Britain the 'Great Depression', with its prolonged fall in commodity prices from 1873, had created doubts in people's minds about the merits of the gold standard. To some a bimetallic system, whereby gold and silver acted jointly as the standard of value, seemed to offer greater stability, and that 'dreadful subject'⁴⁷ had begun to generate an extensive literature.

By the 1880s the cause of bimetallism had gained influential adherents, and in June 1886 it was given a political impetus by the third report of the Royal Commission appointed to inquire into the depression of trade and industry. That report referred to the change in the relative values of the precious metals, pointing to an increase in the purchasing power of gold and an inconvenient depreciation of silver as measured by gold, with the price of silver having declined by as much as twenty-five per cent since 1873 (Table 2). In the view of the Commissioners the currency question, as they called it, went to the heart of the probable causes of the depression and they called for an 'early and separate examination' of the problem.⁴⁸

Three months later, in September 1886, a second Royal Commission was appointed, with Fremantle one of its members, to look at what had happened to the value of the precious metals. This Commission was in a real sense a concession to the bimetalists, but it was

⁴² *Parliamentary Debates*, 3rd ser. 311, cols 1581-2 (8 March 1887).

⁴³ Bank of England Letter Book 21, pp. 21-3 (Collet to Goschen, 18 October 1887); PRO. Mint 9/124, Fremantle to Collet, 24 January 1888; Royal Mint Library, bundle of miscellaneous correspondence with Bank of England, Fremantle to Chief Cashier, 16 May 1888. For subsequent complaints about the restriction, see PRO. Mint 23/30, Hamilton to Fremantle, 19 November 1889; *Parliamentary Debates*, 3rd ser. 339, cols 1477-8 (16 August 1889).

⁴⁴ *Parliamentary Debates*, 3rd ser. 343, col. 701 (17 April 1890).

⁴⁵ *Parliamentary Debates*, 4th ser. 9, col. 639 (28 February 1893).

⁴⁶ *Parliamentary Debates*, 3rd ser. 309, col. 106 (10

September 1886).

⁴⁷ Churchill, *Lord Randolph Churchill*, p. 536. The words are Winston Churchill's.

⁴⁸ *Third Report of the Royal Commission appointed to inquire into the Depression of Trade and Industry: with Minutes of Evidence and Appendix* (London, 1886), pp. 3-5. One of the latest accounts of bimetallism in the nineteenth century is to be found in John F. Chown, *A History of Money from AD 800* (London and New York, 1994), pp. 74-106; the controversy has also been recently summarised by David Kynaston, *The City of London*, vol. 1, *A World of Its Own 1815-1890* (London, 1994), pp. 390-5. For a convenient analysis of the Depression, see S.B. Saul, *The Myth of the Great Depression, 1873-1896* (London and Basingstoke, 1969).

also, as the terms of reference indicated, a recognition of the peculiar position of the Government of India.⁴⁹ Receiving its revenue in silver and yet needing to make substantial transfers of gold each year to the United Kingdom to pay for such things as interest on stock, pensions, allowances, purchases of stores, and the expenses of British forces, the Indian Government was particularly hard hit by the fall in the gold price of silver. It had not suffered in silence, and in September 1886 it again made vigorous – and now very timely – representations to the effect that a greater use of silver for currency purposes, including an international agreement for the free coinage of silver, was essential for the finances of British India.⁵⁰

TABLE 2: Average price of bar silver in London, 1870–1899 (pence per ounce standard)

Year	Annual Average (d)	Year	Annual Average (d)
1870	60 $\frac{1}{16}$	1885	48 $\frac{3}{8}$
1871	60 $\frac{1}{8}$	1886	45 $\frac{1}{8}$
1872	60 $\frac{1}{16}$	1887	44 $\frac{1}{8}$
1873	59 $\frac{1}{8}$	1888	42 $\frac{1}{8}$
1874	58 $\frac{1}{16}$	1889	42 $\frac{1}{16}$
1875	56 $\frac{3}{8}$	1890	47 $\frac{1}{16}$
1876	52 $\frac{1}{8}$	1891	45 $\frac{1}{16}$
1877	54 $\frac{1}{16}$	1892	39 $\frac{1}{16}$
1878	52 $\frac{1}{16}$	1893	35 $\frac{1}{8}$
1879	51 $\frac{1}{8}$	1894	28 $\frac{1}{16}$
1880	52 $\frac{1}{8}$	1895	29 $\frac{1}{8}$
1881	51 $\frac{1}{16}$	1896	30 $\frac{1}{8}$
1882	51 $\frac{1}{8}$	1897	27 $\frac{1}{16}$
1883	50 $\frac{1}{16}$	1898	26 $\frac{1}{16}$
1884	50 $\frac{1}{8}$	1899	27 $\frac{1}{16}$

Source: Sharps, Pixley & Company Ltd, *A Table showing the Monthly Fluctuations, in London, in the Price of Bar-Silver per Oz. from January 1833 to December 1968*.

The British Government, as Goschen was to say later, could 'no longer remain passive in face of the situation in India. The Indian Government was clamorous. The situation seemed unendurable.'⁵¹ Even before the arrival at the Treasury of these latest representations, Welby was advising Churchill that his proposed withdrawal of the half-sovereign provided 'a singular opportunity' to offer a concession to India and to facilitate agreement amongst other nations for the larger use of silver.⁵² Indeed, the politically aware Welby suggested that this would be a clever smokescreen, Churchill presenting the proposal as being for the sake of India and then, if forced to back down, sparing himself that loss of prestige which might attach itself to the failure of a measure presented solely in terms of benefit to the Exchequer. Welby urged the desirability of moving the Gold and Silver Commission in that direction; and the Treasury in fact subsequently told the Commissioners that the inconvenience to the Indian Government was recognized and that Their Lordships stood ready 'to promote by legitimate means, not involving a charge on the taxpayer of the United Kingdom, an extended use of silver in this

⁴⁹ For the terms of reference, see PRO.T1/8249A/14157 and *First Report of the Royal Commission appointed to inquire into the Recent Changes in the Relative Values of the Precious Metals; with Minutes of Evidence and Appendices* (London, 1887), pp. iii–vi.

⁵⁰ *First Report of the Gold and Silver Commission*, pp. 353–9.

⁵¹ Goschen, *Essays and Addresses on Economic Questions*, pp. 180–1.

⁵² PRO. Mint 9/123, Welby to Chancellor of the Exchequer, 21 September 1886.

country'.⁵³ Significantly, too, the Commissioners included a representative of India, David Barbour, author of an 'exceedingly able' book on bimetallism from an Indian point of view.⁵⁴

At the same time Churchill, with almost disarming cynicism, played the Indian card in Cabinet, reminding his colleagues that the Indian Government was 'sorely alarmed' by the fall in the gold price of silver.⁵⁵ He pointed out the importance attached by other Governments to any measures that might extend the use of silver and suggested that limited concessions would be helpful in signalling British willingness to aid an international objective. In this context his proposed withdrawal of the half-sovereign would not only increase the demand for silver but would also generate sufficient profit to enable the Chancellor to grant the desire of the Indian Government for the abolition of the duties on the use of silver for manufacturing purposes. Two great boons would thus be conferred on India, and, in Churchill's view, if the British public would not forego the use of 'an expensive and not very needful form of coin' to assist such an object then the Government could legitimately spare itself any further trouble on the subject.

Here, then, in an extension of the monetary use of silver, is a second and connected reason for the issue of crowns and double-florins by Goschen a few months later.⁵⁶ Fremantle may perhaps be numbered amongst the sceptics, for in 1874 he had not been able to persuade himself that the proposed double-florin would 'sensibly affect' the circulation of the half-sovereign, which he thought very convenient for giving change for a sovereign.⁵⁷ And if Fremantle was therefore circumspect in what he said in public, it may be supposed that he also felt constrained by his position as a member of the Commission not to say anything that might antagonise his colleagues or might seem to anticipate the findings of the Commission. But more than that, as a staunch believer in the gold standard and in his retirement a Vice President of the Gold Standard Defence Association, Fremantle probably wished in no way to give encouragement to the bimetallists.⁵⁸

Fremantle's difficulty in this respect was compounded by the fact that the double-florin was in a sense the bimetallists' coin. From at least 1868, in their schemes for a full-value silver coinage of unlimited legal tender, a place was regularly found for the double-florin.⁵⁹ It was certainly present in the proposals of the President of the Bimetallic League, Henry Hucks Gibbs, who had espoused international bimetallism relatively late in life and who now preached the gospel with the fanaticism of a convert. For instance, in one of several references to the coin, Gibbs assumed in 1884 that, if the half-sovereign were to be replaced in part by full-value silver coins, those coins would 'of course' be double-florins.⁶⁰ Gibbs and his arch-

⁵³ *First Report of the Gold and Silver Commission*, p. 353.

⁵⁴ Hamilton's Diary: BL. Add. Ms. 48,644, fol. 105 (31 August 1886). The book referred to is D. Barbour, *The Theory of Bimetallism and the Effects of the Partial Demonetisation of Silver on England and India* (London, [1885]).

⁵⁵ PRO, Cab 37/18, memorandum by the Chancellor of the Exchequer, 1 December 1886. It is perhaps worth remembering in this context that Churchill had recently, if briefly, occupied the post of Secretary of State for India.

⁵⁶ To support the price of silver by replacing the half-sovereign with crowns and double-florins had in fact been suggested a few years before by L.C. Probyn in his pamphlet, *A Proposal for Re-establishing and Maintaining the Value and Position of Silver* (London, 1880).

⁵⁷ PRO, Mint 9/107, memorandum by Fremantle, 10 January 1874.

⁵⁸ Fremantle's opinion is clear from the statement made by Sir Charles Rivers Wilson at the International Monetary Conference in Brussels in 1892: 'In order to avoid all misunderstanding, I desire, on behalf of Sir Charles Fremantle and myself, to make in the face of this assembly our profession of faith. Our faith is that of the school of monometallism pure and simple. We do not admit that any other system than the single gold standard would be applicable in

our country.' See *International Monetary Conference, Brussels, 1892, Instructions to the Delegates of Great Britain, and their Report: together with the Proceedings of the Conference* (London, 1893), p. 45.

⁵⁹ See, for instance, Ernest Seyd, *Bullion and Foreign Exchanges* (London, 1868); Henri Cernuschi, *Bimetallic Money, and its bearings on the Monetary Crises in Germany, France, England, and the United States* (London, 1876); Ottomar Haupt, *Bi-metallic England* (London and Paris, 1882); and William Leighton Jordan, *The Standard of Value*, third edition (London, 1883). The bimetallists were usually at pains to point out, however, that they did not suppose that many double-florins would be required for domestic circulation and that the public therefore had no need to fear the inconvenience of wagon-loads of silver.

⁶⁰ Gibbs was a prolific writer, and some idea of the extent of his contribution to the bimetallic debate can be gained from Henry H. Gibbs and Henry R. Grenfell, *The Bimetallic Controversy: a collection of pamphlets, papers, speeches and letters* (London, 1886). The 1884 reference comes in an undated draft letter to the Chancellor of the Exchequer, apparently written in the context of the official proposal to issue token half-sovereigns: Royal Mint Library, double-florin file.

collaborator, Henry Grenfell, were both Directors and former Governors of the Bank of England; and it was another Bank of England man, its Secretary, Hammond Chubb, who in a private memorandum of March 1886 assumed that a double-florin would probably be among the coins required for a scheme of one pound notes, payable on demand in silver coin, which he suggested as a concession to the cause of international bimetallism.⁶¹

It may therefore occasion little surprise that a double-florin should have been in the mind of a later Governor of the Bank in December 1886, nor that it might be associated in the minds of others with bimetallic propaganda.⁶² But that is not to suggest that either the Bank or the City was keen on bimetallism. On the contrary, Gibbs and Grenfell spoke only for themselves, while the respected banker Bertram Currie offered the view that 'bi-metallism was all *rot*' and that were it ever to become a serious proposition then all the highest financial authorities with very few exceptions would rise in revolt and 'blow the double-standard faddists into mid air'.⁶³ Gladstone, that pillar of financial rectitude, was in the same camp as Currie, declaring that 'if he lived to the age of Methuselah, nothing would induce him to propose a measure which had any leanings in the bimetallic direction'.⁶⁴ It was a view that also found its echo amongst the Treasury civil servants, to judge by Hamilton's description of bimetallism as a quack remedy, 'absolutely impossible & impracticable'.⁶⁵ Goschen, however, if not as keen as Arthur Balfour, the jewel in the bimetallicists' crown, was believed to have some sympathy for the bimetallic cause, or at least to be 'rather inclined to sit on the fence'.⁶⁶

For the bimetallicists, and no doubt others, the double-florin's attraction was that it not only matched the large silver coins of Europe and America but that, at four shillings in value, it might also serve abroad as a dollar. Samuel Montagu, a persistent advocate of a British trade dollar, said in 1888 that 'every one knows that a dollar is about 4s.'⁶⁷ and, indeed, in mentioning the double-florin the bimetallicists very often added 'dollar' as an alternative name, just as Herschel had done in 1853.⁶⁸ A Member of Parliament even went one step further and suggested that the coin itself should bear the inscription 'one dollar - one fifth of a pound'.⁶⁹ This link with the dollar was the explanation favoured by J. Birkbeck Nevins, writing early in 1888, and he was followed much later by Sir Charles Oman, who likewise saw the coin as 'intended to serve as equivalent to a dollar'.⁷⁰

As a dollar the double-florin might possibly challenge the Mexican dollar in those Far Eastern dependencies of the Empire where that coin was current. It was an uncertain prospect, one on which *The Times* found itself 'scarcely prepared to express an opinion',⁷¹ but the point had not been lost on Gladstone in 1874 when, unenthusiastic about Hubbard's double-florin

⁶¹ Royal Mint Library, double-florin file. Chubb refers to the memorandum in a letter to J.W. Birch, 23 November 1886; Bank of England, Secretary's Letter Book 26 January 1886-16 August 1887, fols 144-5.

⁶² In a letter to Fremantle of 31 March 1890 William Lidderdale, Collet's successor as Governor of the Bank of England, spoke of holding back the issue of half-sovereigns '& so maintain the circulation of the Bimetallists' favourite'. Though he is undoubtedly talking of large silver coins it is not clear if he is specifically referring to double-florins (PRO, Mint 9/22).

⁶³ Hamilton's Diary: BL, Add. Ms. 48,651, fol. 113 (17 October 1889); Add. Ms. 48,650, fol. 19 (4 January 1889), where Hamilton begins: 'I had some talk yesterday evening with Bertram Currie, than whose financial judgment there is no better'.

⁶⁴ Dudley W.R. Bahlman (ed), *The Diary of Sir Edward Walter Hamilton 1880-1885*, 2 vols (Oxford, 1972), I, p. 203 (24 December 1881).

⁶⁵ Hamilton's Diary: BL, Add. Ms. 48,659, fol. 47 (7

December 1892). Welby, the Permanent Secretary, was another monometallist and, like Fremantle, became a Vice President of the Gold Standard Defence Association in his retirement.

⁶⁶ Hamilton's Diary: BL, Add. Ms. 48,647, fol. 72 (21 November 1887) and Add. Ms. 48,651, fols 4-5 (4 June 1889). According to Hamilton, in the bimetallic debate in the House of Commons on 28 February 1893 Goschen 'shilly-shallied in a pitiable manner': Add. Ms. 48,659, fol. 130 (1 March 1893).

⁶⁷ Samuel Montagu, *A Plea for a British Dollar* (London, 1888), p. 8; reprinted from *Murray's Magazine* for February 1888. This did not, apparently, prevent the half-crown from being called half-a-dollar.

⁶⁸ PRO, Mint 1/42, p. 149.

⁶⁹ *Parliamentary Debates*, 3rd ser. 342, col. 1288 (20 March 1890).

⁷⁰ J. Birkbeck Nevins, *On Some Curiosities of English Coinage* (Liverpool, 1888), p. 50; Charles Oman, *The Coinage of England* (Oxford, 1931), p. 378.

⁷¹ *The Times*, 19 May 1887.

proposal, he had conceded that if the coin could circulate abroad this might make a difference. Fremantle, however, had doubted if this could be so, since the dollar then had an intrinsic value of about 4s 2d, as against the 3s 8½d or so of a double-florin.⁷² Yet the hope had not died and there was interest in 1887 when £1,000 of the new double-florins were issued for trade in the East.⁷³ This was not, though, to prove a harbinger of things to come and the issue figures show that less than five per cent of double-florins were sent overseas (Table 3). Its failure at home could not therefore be counterbalanced by success abroad and the pseudo-dollar, as a later Deputy Master called it, could not survive.⁷⁴

TABLE 3: Issues of Double-Florins by the Royal Mint, 1887–1891

Year	Bank of England	Scottish Banks	Bank of Ireland	Colonial Agents	Total
	£	£	£	£	£
1887	67,500	7,165	1,000	10,010	85,675
1888	39,100	1,200	800	11,200	52,300
1889	214,000	14,600	4,050	1,900	234,550
1890	118,000	16,000	4,100	–	138,100
1891	20,000	–	–	2,500	22,500
Total	458,600	38,965	9,950	25,610	533,125

Sources: Royal Mint Library, 'Manuscript Information for Annual Reports, 1879 to 1895,' and *Royal Mint, 22nd Annual Report* (1891), p. 13.

The search for an explanation has yet to produce a contemporary document that might be described in other circumstances as the Crown Jewels, but the double-florin has perhaps become less of a mystery. Its origins are clearly to be found in a desire to limit use of the costly half-sovereign, something that in turn would conserve gold and expand the demand for silver, both desirable objectives given the concern that a diminished supply of gold and a surplus of silver, by disturbing their relative values, had harmed trade and hurt the Government of India. That both double-florins and crowns should be issued suggests ambivalence and indecision as to which might be preferred, but in the event the British public was quick to show that it cared for neither. Indeed, what emerged from the initiatives of the late 1880s was the preservation of the British currency in its established form: the large silver coins failed, the half-sovereign survived, the small-notes kite was grounded by the bankers, and bimetallism suffered a mortal blow when the Gold and Silver Commission split down the middle.

⁷² PRO, Mint 9/107.

⁷³ *Royal Mint, 18th Annual Report* (1887), p. 9.

⁷⁴ Sir Robert Johnson, Deputy Master from 1922 to 1938: Royal Mint Library, double-florin file.