

Mint Your Own Currency

The Dutch, English, and French all minted their currency in India in the 17th century. This allowed them to take more control over the local trade. It also allowed each country to own all the silver or gold each had recoined.

There are several choices that must be made when minting coins, which also determines a coin's worth, the weight of the coin and the fineness of the silver or gold in the coin. The fineness of the coin is a ratio of the amount of bronze that is mixed in with the gold or silver. Unlike today, the currency was "worth its weight in gold" (or silver). The minting of coins was an extension of the barter system. People got tired of traveling with all their wares (chickens, pots, spices, chunks of gold or silver etc.) in order to trade them for other things they needed. More and more people decided that it would be easier to trade only the precious metals for the things they needed because they were worth the most compared to their size (and therefore easy to carry around). To make it even easier to determine how much a chunk of metal could be traded for (how much it could buy), governments started to mark the metal. Eventually, the governments took over completely and gathered the metal (usually silver and gold) and minted it into coins – controlling the weight and ratio of pure silver or gold in the chunk of metal, and marking the metal to show how much it was worth. Today, in order to make it even easier, we have paper money that represents real gold (or other valuable pieces) that is stored in places like Fort Knox, Kentucky.

Pretend that you are in charge of minting new coins in India for England. You must design the coin, name the coin, determine the weight of the coin, determine the fineness of the silver in the coin, and, from all this, determine the worth of the coin. You have been given 200 pounds Troy of fine silver and as much bronze as you would like in order to start the mint. You will need to use the charts on the next page to help you determine the fineness, weight, and worth of your coin.

My coin's name _____
I have made _____ (#) of gold/ silver coins of _____ weight and
_____ fineness.

Below is a picture of my coin.

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Tables

Measure of Weight

The Troy pound has 12 ounces in it and 5,760 grains

A Troy ounce has 480 grains

* a coin seldom weighed less than 70 grains or more than an ounce*

Monetary Conversions

English

1 English Pound (a silver coin) is worth 20 English Shillings (a smaller silver coin)

1 English Shilling is worth 12 English Pence (an even smaller silver coin)

English to Indian Rupee

1 Rupee (a silver coin minted in India) is worth 2 Shillings (English)

Price of 1oz of Silver based on fineness

Fine Silver – (24 parts silver, 0 parts bronze) – 6 Sterling, 0 Pence

23 karat Silver – (23 parts silver, 1 part bronze) – 5 Sterling, 6 Pence

22 karat Silver – (22 parts silver, 2 parts bronze) – 5 Sterling, 0 Pence

21 karat Silver – (21 parts silver, 3 parts bronze) – 4 Sterling, 6 Pence

20 karat Silver – (20 parts silver, 4 parts bronze) – 4 Sterling, 0 Pence

19 karat Silver – (19 parts silver, 5 parts bronze) – 3 Sterling, 6 Pence

18 karat Silver – (18 parts silver, 6 parts bronze) – 3 Sterling, 0 Pence

17 karat Silver – (17 parts silver, 7 parts bronze) – 2 Sterling, 6 Pence

16 karat Silver – (16 parts silver, 8 parts bronze) – 2 Sterling, 0 Pence

15 karat Silver – (15 parts silver, 9 parts bronze) – 1 Sterling, 6 Pence

14 karat Silver – (14 parts silver, 10 parts bronze) – 1 Sterling, 0 Pence

13 karat Silver – (13 parts silver, 11 parts bronze) – 0 Sterling, 6 Pence

Anything less fine is practically worthless

Example:

I want to make 1 ounce, 22 karat fine coins. To determine how many I can make with 200 troy pounds of silver, I multiply 200 Troy pounds by 12 ounces, since there are 12 ounces in a pound.

$200 \times 12 = 2,400$. I have 2,400 ounces of fine silver.

Then I multiply 2,400 ounces by 480 grains to see how many grains of silver I have.

$2,400 \times 480 = 1,152,000$. I have 1,152,000 grains of fine silver.

To determine what percentage of silver will be needed for a one-ounce coin of 22-karat fineness, I divide 480 grains by 24 (remember there are always 24 parts in a one-ounce coin).

$480/24 = 20$. Each part of my one-ounce coin will be 20 grains.

Then I multiply 20 grains by 22 parts, since I want my coin to be 22 karats fine.

$20 \times 22 = 440$. Each coin will have 440 grains of fine silver in it – consequently, each coin will have 40 grains of bronze (but the supply of bronze is unlimited).

To determine how many coins I can make, I divide the 1,152,000 grains of silver by 440.

$1,152,000/440 = 2,618.18$

Therefore, I can make 2,618 coins of 22-karat fineness (and keep the extra fraction of silver for myself).

Each coin will be worth 5 English sterling (determined from the table).

Bonus Activity
Purchase goods for England with your own coin.

Now you must purchase goods for England and do the bookkeeping in your own coin.
Decide what you would like to buy.

Remember 1 Rupee is worth 2 Shillings

Persian Almonds –	3.5 Rupees/Mound -	_____ quantity _____	amount in new coin
Cinnamon -	87 Rupees/Mound -	_____ quantity _____	amount in new coin
Cloves -	125 Rupees/Mound -	_____ quantity _____	amount in new coin
Coffee -	20 Rupees/Mound -	_____ quantity _____	amount in new coin
Ginger-	7 Rupees/Mound –	_____ quantity _____	amount in new coin
Myrrh -	12 Rupees/ Mound –	_____ quantity _____	amount in new coin
Nutmegs -	84 Rupees/Mound –	_____ quantity _____	amount in new coin
Cocoa Nuts-	23 Rupees/1,050 Nuts-	_____ quantity _____	amount in new coin
Aloe -	5 Rupees/Mound-	_____ quantity _____	amount in new coin
Beetlenut -	5 Rupees/Mound-	_____ quantity _____	amount in new coin
Pepper -	8 Rupees/Mound-	_____ quantity _____	amount in new coin
Dates -	22 Rupees/Candy –	_____ quantity _____	amount in new coin
Sandalwood -	5 Rupees/Mound –	_____ quantity _____	amount in new coin
Sugar Candy -	6 Rupees/Mound –	_____ quantity _____	amount in new coin
Elephant Teeth -	48 Rupees/Mound –	_____ quantity _____	amount in new coin
Tamarinds -	5 Rupees/Candy -	_____ quantity _____	amount in new coin
Total -		_____	amount in new coin