Economists, everyone knows, distrust state-sanctioned monopolies and are inclined to think that private firms can do a better job supplying goods and services than governments are capable of doing. This overall stance allows for some exceptions, of course. Of these, none is more universally recognized than that concerning coinage.

That governments alone are fit to coin money has been a commonplace of economic thought since ancient times (Monroe 1923). It is, furthermore, a commonplace that even the most doctrinaire champions of laissez-faire have scarcely ever questioned. Among well-known authorities, British social philosopher Herbert Spencer (1851, 396–402) alone dared to contradict it.

Spencer’s challenge drew a pointed response from his compatriot William Stanley Jevons, an economist of unassailable classical liberal credentials.

Though I must always deeply respect the opinions of so profound a thinker as Mr. Spencer, I hold that in this instance he has pushed a general principle into an exceptional case, where it quite fails. He has overlooked the important law of Gresham . . . that better money cannot drive out worse. In matters of currency self-interest acts in the opposite direction to what it does in other affairs . . . and if coining where left free, those who sold light coins at reduced prices would drive the best trade . . .

In my opinion there is nothing less fit to be left to the action of competition than money. In constitutional law the right of coining has always been held to be one of the peculiar prerogatives of the
Crown, and it is a maxim of the civil law, that *monetandi jus principum ossibus inhaeret.* To the executive government and its scientific advisors . . . the matter had better be left. (Jevons 1882, 64–66)

Jevons added that his view “is amply confirmed by experience,” mentioning, among other instances, Great Britain’s late eighteenth-century experience with private copper tokens.

The multitude of these depreciated pieces in circulation was so great, that the magistrates of Stockport held a public meeting, and resolved to take no halfpence in future but those of the Anglesey Company, which were of full weight. This shows, if proof were needed, that the separate action of self-interest was inoperative in keeping bad coin out of circulation, and it is not to be supposed that the public meeting could have had any sufficient effect. (65)

It was this brief passage, from Jevons’s *Money and the Mechanism of Exchange,* that first drew my attention to Great Britain’s private token coins. Intrigued, I decided to investigate further. What I discovered amazed me, not the least because, instead of confirming Jevons’s position, it did just the opposite. The Stockport resolution, for instance, was actually a resolution among traders to accept privately minted Anglesey pennies instead of official (“regal”) copper coins: the resolution came too early to have been directed against other private tokens. This little berg alone was enough to stave Jevons’s argument. Yet it was but a fragment from a large ice field into which the great Victorian economist had unwittingly steamed, full speed ahead, fully laden with conventional wisdom.

Thanks to their many varieties and often splendid engravings, Great Britain’s commercial coins, also known as “tradesmen’s tokens” and (among American collectors) “Conder tokens,” have long fascinated numismatists. Economists and historians, on the other hand, have tended either to ignore them or to write them off as nothing more than a curiosity—strange little weeds allowed to sprout around a temporarily derelict Royal Mint. But they were much more than that. They were, in fact, the world’s first successful money for the masses, whose tale is long overdue for a telling.

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