



*Listener and patron Ed Powell — a member of the Board of Directors at Signum University and coordinator of the Mythgard Academy lecture series — listened with some amusement to our attempts to determine the value of Bilbo's treasure in Episode 085 – Bilbo “Two Chests” Baggins. He wrote to Barliman's Bag with this analysis which we covered briefly in episode 099 – Yesterday, All My Troubles Seemed So Far Away but his full analysis is truly worth taking the time to read.*

*After you're done, see what Ed is up to by following him on Twitter: @DrEdPowell.*

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Let's start from the beginning, as its...well...you know. 160 pounds is a good weight limit for a pony, assuming the pony carried only the treasure and not Bilbo's other possessions, or even Bilbo himself. A hobbit might weigh 80 pounds fully clothed. But the chests have to be strong, probably 15 pounds each, plus another 10 pounds for straps, buckles, padding, etc. Call it 60 pounds of treasure in each chest. Now to the math.

60 pounds of weight is 875 Troy ounces. At a recent price of \$1200/oz for gold and \$15/oz for silver, we get \$1.05 million in gold and \$13,125 in silver, or a total of \$1,063,125 in current dollars (but see below for the trolls' gold). What we learn from this is that with today's prices for gold and silver compared to real estate, Bilbo might not even be able to use this money to buy Bag End if he didn't already own it! Certainly not enough for a decent beach house in Newport Beach!

But of course, modern prices are not good comparisons. One really must go back to the Victorian era (which was in Tolkien's mind when he thought of the Shire) to get a decent estimate.

The gold sovereign, worth one British pound (Figure 1 below)—it has a dragon on it being slain by St. George, and thus I had to get one—has .2354 troy ounces of gold in it, so that means 875 troy ounces of gold is 3717 GBP (Great Britain Pounds money).



Figure 1 - Gold Sovereign

A silver Crown, worth 1/4 GBP, shown below (Figure 2 below), also with a dragon (you're seeing a theme), and larger than the size of a US silver dollar, has .8489 Troy ounces of silver in it. We're going to ignore the fact that this particular coin is not pure silver, assuming for the moment that the mint used by the Gondorians, Elves, or Hobbits hadn't debased the coinage. So, 875 troy ounces of silver is 1030 Crowns or 257 GBP, leading to a total haul from the Lonely Mountain of just shy of 4000 GBP.



Figure 2 - Silver Crown

Of course, the dwarves hid "pots full of gold coins" near the trolls' cave, which Gandalf and Bilbo split: "So they put the gold in bags and slung them on the ponies, who were not at all pleased about it. After that their going was slower, for most of the time they walked." How much gold was there? How many ponies were there? Assuming there was the one pony with the Dwarven treasure, and two more ponies to carry Gandalf and Bilbo and their belongings, we could have two ponies' worth of trolls' gold, each with maybe 150 pounds of gold on it (no chests this time, you see, just sacks and ropes). So, 150 pounds of gold is 2187 Troy ounces and thus 9292 GBP in Victorian times, leading to a final calculation of Bilbo's haul as about 13,200 GBP Victorian equivalent.

But what is that worth? The wage of a servant in Victorian times ranged from about 100 GBP/year for an unskilled servant to 200 GBP/year for a very valued servant, even more for the butler. (You see, I was paying attention while watching "Upstairs Downstairs".) Sam Gamgee and his Gaffer, as gardeners, would make on the low end of this. Even if Bilbo was generous, maybe 150 GBP/year. Britain at that time did not measure wealth in cash (how much money you had in the bank) but in \*rents\*, how much money did your land provide per year.

To answer the question of how wealthy Bilbo actually was, we must turn to the source of all true information about wealth in the 1800s, Jane Austen, who wrote in *Pride and Prejudice* that Mr. Bingley was worth 4,000 GBP/year. Later we learn that Mr. Darcy, who lived in the house modeled on the one below (Figure 3, Chatsworth), and who was imagined fabulously wealthy by Lizzie in 1804 when the book was written, brought in 10,000 GBP per year. Mr. Bennet, Lizzie's father, considered well-off, but saddled with five daughters to endow, had an income of 2,000 a year.



Figure 3 - Chatsworth

We do not know what Bilbo's rents were from his lands. They had to be considerable or he couldn't have been considered "well to do" and "rich", but he wasn't Mr. Darcy rich. Or even Mr. Bingley rich. He might just have been Mr. Bennet rich, 2,000 GBP/year equivalent; but with no daughters to provide for, he would have been very comfortable, and easily able to hire servants. His adventures in the East thus brought him between six and seven years' worth of income all in one year. I don't know about you but if I suddenly received six or seven years of income tax-free tomorrow, I'd probably retire, and thus have a LOT more time to write you letters! This explains why Bilbo had spent almost all of the Adventure treasure by the time of his 111th birthday, 60 years later. In the grand scheme of things, it was not that much money, just enough to have some extra good food and drink once in while; give nice gifts to his friends on his birthday; be generous to his friends, neighbors, tradesmen, and family; and to throw one heck of a party before he left. Frodo claims in "The Flight to the Ford" that Bilbo gave away most of the troll portion of the gold, since he didn't really believe he earned it. These sorts of lavish gifts would ensure the local hobbitry thought he was rich beyond measure. However, Bilbo wasn't the Jeff Bezos of the Shire; he was comfortable, with a nice extra nest egg to keep his larders and pantries full.

Finally, what are we to make of the pony, Bill, bought from Bill Ferny for "12 silver pennies," and the 18 silver pennies paid by Butterbur to the travelers as compensation for their stolen ponies? I have to say that this is a bit of a conundrum. According to <http://medieval.ucdavis.edu/120D/Money.html> the price of a draught horse in the middle ages was between 10 and 20 shillings, not 10-20 silver pennies. A "pony" is just a small breed of horse, not a different species. Ponies were valued almost as much as horses since they were much stronger for their weight than horses were, and could perform farm duties on land unsuited for full-size horses. Thus ponies would not be sold for prices a whole lot less than horses were. In England, pennies in the Victorian era were a large copper coin, a bit larger than the US quarter. There were silver pennies in medieval England of about 1.358 grams (0.0437 troy ounces) of silver each. This is a tiny amount of silver, but the silver was mixed with base metals to make the medieval coins larger (about the size of a modern US dime). There was no time in English history when 12 silver pennies (equaling one shilling) could buy a horse, not even a poorly looked after fixer-upper pony like Bill. I don't think Tolkien was an expert on medieval economics or numismatics, so my only conclusion is that he made a mistake with Bill's price. We should probably just assume that in the Shire what they called a "silver penny" was actually what the Victorian British would call a "shilling". If that were true, then everything makes sense.

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***Thank you, Ed! We bow to your superior numismatic knowledge, and thank you for teaching our listeners a valuable lesson: never trust our math.***

