

Cumberland Coins

The Volunteer Coin Club Newsletter

October, 2015

Next Meeting

Our next meeting will on Tuesday October 13th starting at 6:30. The meeting is will be held at the 127 Senior Center on Highway 127 (Main Street) South of town. Doors open at 6:00. We will have the usual business meeting, show and tell, raffle, member prize drawing and the auction at the meeting

We have been having some interesting thinks presented in the Show and Tell segment. If you have something new, or old that you may not have thought about for a while, please bring it and share the story with the group.

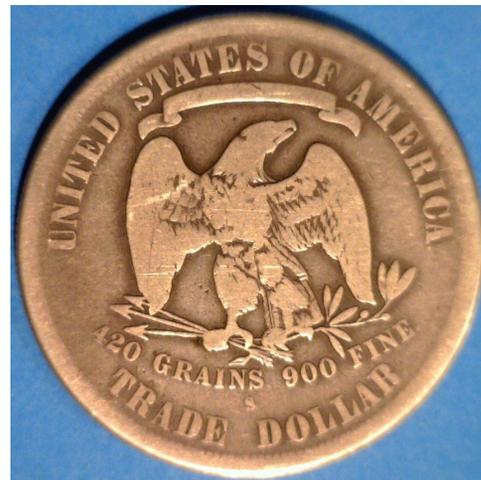
Coin Lore

Wanna Trade? Dollar, that is!

by Bill Groom

The U.S. Trade Dollar, minted between 1873-85, is considered to be one of the most controversial and curious of American coins ever issued. These dollars were made specifically to accommodate trade in the Orient and never intended to circulate stateside. Containing more silver than the Liberty Seated and Morgan Dollars, the Trade Dollars had to compete for Asian trade with silver counterparts from other countries, principally Spain.

The *Coinage Act of 1873* made Trade Dollars legal tender, stateside, in amounts up to five dollars, only. At a time when coins were principally valued for their metal content, *specie*, this presented a problem ... After all, who *wouldn't* prefer having a *larger* silver dollar in their pocket !? The U.S. Government, in its infinite wisdom, came up with a logical solution to the dilemma; this, wherein American citizens would be discouraged from such a logical preference. In order to deter their use stateside, the Trade Dollars were officially demonetized in 1876! This meant that the 1877 Trade Dollars pictured below were not legal tender when they were struck.



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The above Trade Dollar, in well-worn good condition as it is, evidently experienced much circulation. Struck at the San Francisco Mint, it probably circulated extensively in the Old West, alongside the many Spanish and Mexican silver coins that then facilitated commerce there. Eastern folks, merchants in particular, would have been more inclined to be politically correct in those days and less likely to accept these demonetized coins in trade.

Note the design of the Trade Dollar. Lady Liberty is extending the olive branch, a traditional sign of peace. She sits atop a bale of wheat and bundles of commercial goods. For practical trade purposes, the reverse design clearly states the silver content as “420 grains, 900 fine.” This design was intended to appeal to oriental merchants, yet absent chopmarks, this coin probably never crossed the Pacific Ocean.



The above, 1877-S Trade Dollar did fulfill its intended purpose of circulating in the Orient. The many chopmarks, Chinese characters, stamped by merchants upon its surface, attest to its having circulated overseas. These characters were, in effect, stamps of approval or authenticity, inflicted by individual merchants. They were primarily concerned that the coin was good silver for commercial trade. These chopmarks, also known as countermarks, were a practical measure, confirming the weight and silver quality of the coin. Spanish coins that then circulated in the Orient were subjected to similar scrutiny.

Chopmarked Trade Dollars aren't pretty, but they are historic and surely telling of times past. It's often been stated that one man's trash is another man's treasure. There is a gradually increasing number of coin collectors who seek and study these “damaged” coins. There are now many books and websites, dedicated to the study of these historic coins. A simple Google search will open that door.

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Today's collectors need to exercise extreme caution when buying coins, and this is particularly true when seeking Trade Dollars which are among the most often encountered fake coins on the market. It takes a trained eye to spot the fakes on Ebay and other websites. Many coin dealers have been fooled, even when holding fakes in hand. Cautious buyers will insist upon getting a coin weighed; this, with the weight of genuine coins approaching 27.2 grams. Most fakes tend to be 10% or more underweight. Yet, the crooks are getting more devious, so buying from a reputable dealer is highly recommended. While certified coins tend to be a safe route for buyers, there are counterfeit PCGS slabs being made in China. Today, this business of Chinese counterfeits seems particularly ironic in the case of Trade Dollars when one considers that nineteenth century Chinese merchants had resorted to chopmarking our coins to assure authenticity. Quite a curious twist of fate, isn't it?

Area Coin Shows

November 7 **Knoxville;** Coin Show, Rothchild Conference Center, 8807 Kingston Pike (I-40 exit #378).

November 13 -15 **Chattanooga;** Tennessee State Numismatic Society (TSNS). Fall Coin Show.
Camp Jordan Arena, I-75, Exit 1.

December 5 **Knoxville;** Coin Show, Rothchild Conference Center, 8807 Kingston Pike (I-40 exit #378).

For more information on some of these shows see <http://www.tsns.org/Tennessee Club Shows.html>

This Month's Raffle Prizes

| | | Est. Grade |
|-------------|--|----------------|
| 1939 & 1940 | Mercury Dimes (2 coins) | AU-Unc |
| 1860 | cn Indian Cent (Scarcer Pointed Bust Variety) | Fine (details) |
| 1921 | Mercury Dime (Key Date) | G/AG |
| 1876 | cn Three Cent Piece (Better Date) | VG |
| 1866 | Shield Nickel (Rays Type - first year) | G/AG |

The door prize is a 1793 Chain Cent (modern copy) Proof-Like.