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Your Newsletter May 2006

Your Newsletter is an electronic publication of the American Numismatic Association dedicated to serving Young Numismatists by publishing their articles and related items of numismatic interest. To subscribe to the free *Your Newsletter*, email YourNewsletter@money.org and ask to be placed on the list. Permission to copy, distribute, and publish any information in *Your Newsletter* is granted to all.

Editor: Max B. Spiegel

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And finally, thank you to our contributors and readers! If you have an interesting numismatic article, website, or other item of interest that you would like published in *Your Newsletter*, email YourNewsletter@money.org.

Editor's Notes

Your Newsletter is back and here to stay! After a six month hiatus, the ANA has asked me to be the first volunteer editor of *Your Newsletter*. While there will be a few changes to the basic formatting of the newsletter, the purpose will be the same: to provide Young Numismatists with a free electronic newsletter in which they can publish articles and learn about numismatics and other hobby news. One of the most noticeable changes is that *Your Newsletter* will no longer be sent in email form. Instead, as you have seen, our subscribers will receive a link to view *Your Newsletter* at the ANA website (www.money.org). This way the newsletter can be formatted with images and in a way everyone, no matter what kind of email they have, can view.

The ANA and I will publish *Your Newsletter* once a month. I strongly encourage Young Numismatists to submit articles. There is no limit to how many articles that can be published in each issue. All are welcome. Other pertinent numismatic items

that are appropriate for *Your Newsletter* can also be published. I learned a great deal from the YN articles published in the earlier version of *Your Newsletter*, and I hope future YNs can become active in the hobby through this newsletter. Please feel free to send me any comments or suggestions, along with anything you would like published. As Gail Baker said when she was editor, "Remember, this is *YOUR Newsletter*."

Numismatics in the News

Recently there have been several articles that have been highly publicized by AOL News, although I have not seen them in very many newspapers with the exception of the one about the rising costs of zinc and copper, which was in the New York Times (and I assume many other newspapers). The first talks about Scott Travers, and how he recently released three rare cents into circulation in New York City. They are a 1908-S Indian Head cent, a 1909-S VDB Lincoln Head cent, and a 1914-D Lincoln Head cent. The article, which was written by Jessica Golden of ABCNews.com, says that "Travers hopes his idea will gain attention and inspire people to start their own coin collections."



This cent now costs the U.S. Mint more than a cent to produce. (Photo: U.S. Mint)

There was another article on the front page of AOL – and in the New York Times on April 22 – saying that it now costs the U.S. Mint 1.4 cents to make each cent. According to the article, "This week the cost of the metals in a penny rose above 0.8 cents, more than twice the value of last fall. ... The real problem could come if metals prices rise so high that it would be economical to melt down pennies for the metals they contain." Hoarding cents was rampant during the Civil War and led to the reduction in weight and the popularity of merchant-issued tokens. Although it is now illegal to use such tokens as legal tender, the Mint, with the proper legislation from Congress, could be forced to produce cents of a new material. In the

past there have been experiments done with aluminum and plastic, and as the article mentions, cents were made of steel in 1943 when copper was needed for the war effort. The last time the composition of the cent was changed was in 1982, when the Mint started making the cents of zinc with a plating of copper. The article points out that the price of zinc has tripled since the end of 2003 because of growing demand from industry and due to speculation.

The last article, from BBC News (many newspapers cover this annual event), details the British Queen Elizabeth's distribution of Maundy money to 160 pensioners ahead of her



A patriotic Civil War token produced during a coin shortage. (Photo: Max Spiegel)

80th birthday. Recipients of Maundy money are all retired and recommended by the clergy and ministers in recognition of their service to the Church and the community. Eighty men and 80 women received two purses of 80 pence and a five pound coin marking the queen's birthday. Until the 18th Century the monarch would also wash the feet of the poor selected to receive the money.

If anyone has seen numismatics in the mainstream media, please send it (either the link, information about the article, or where you saw it on TV) to YourNewsletter@money.org. Thank you.

Young Numismatists Programs

The ANA has many programs to encourage Young Numismatists to be active in the hobby. This year's ANA Summer Seminar will be held in two sessions during the first two weeks of July. Summer Seminar is an opportunity for numismatic scholarship and camaraderie, offering students a wide and varied selection of week-long courses suited for anyone, from the curious beginner to the most advanced numismatist. Young Numismatists (YNs), ages 13 to 22, stay in a Colorado College dormitory with experienced chaperones and mentors. For more information about the Seminar, the numismatic highlight of the year, go to the ANA website (www.money.org).

Two great ways for Young Numismatists to learn and earn spectacular coins and other prizes are the David R. Cervin Ancient Coin Project and the Early American Copper Coin Project. Information on both programs is on the ANA website at www.money.org. Click on "Young Numismatists." By completing hobby-related activities YNs can also earn auction dollars to spend at the ANA World's Fair of Money convention each year. See how to earn these auction dollars, and for a form to fill out on the ANA website. Speaking of the convention, the World's Fair of Money is being held in Denver this year from August 16 to 19. The convention is a great place to meet new people, buy and sell numismatic pieces, and go to many free educational functions. I encourage all who are attending to exhibit something from their collection. It is a great way to educate others and win awards. The YN Best of Show even wins a scholarship to next year's Summer Seminar! This year, because the convention is being held so near to ANA Headquarters in Colorado Springs, there is a member appreciation day planned for August 20.

If any other clubs have programs or events for Young Numismatists, please send the information to YourNewsletter@money.org.

This Town Ain't Big Enough for the Both of Us: Dollar Bill and Dollar Coin

By William Robins

The setting is classic. *High noon. Hands hovering over holsters. A war of stares. Dripping sweat leaves streaks of dirt and grit across sun burnt faces. Draw! CRACK, BANG, BOOM... and a corpse lays in dust and blood.*

Whether you enjoy them or not, we all have seen an old western or two on TV, and we all remember the climatic scene in which the desperado and the deputy face off in a dramatic gunfight. In the end, one of them is killed. But those gunfights are a thing of the past, correct?

The dusty streets and balls of tumbleweed blowing by are no longer around, but the answer is still no. Though the fights are no longer between two people, tension between two things in the numismatic world is building up to that climatic shootout, in which one will prevail and the other suffers bitter defeat: the dollar coin and the dollar bill.

With the passing of the Presidential \$1 Coin Act, the United States will now be giving the \$1 coin yet another try. This is the fourth time in the last 45 years that the mint will be minting a new dollar coin. The past three have essentially been failures. The Ike Dollar was too clunky, the Susan B. Anthony too much like a quarter, and the Sacagawea Dollars turned grayish brown after only a few months in circulation. How will the Presidential Dollar be different?



Golden Dollar Obverse, © 1999 U.S. Mint, All Rights Reserved

The obverse of the
2003 Sacagawea Dollar
(Photo: U.S. Mint)

In actuality, all the Mint will be doing is giving the Sacagawea Dollar a facelift. The designs on the Presidential Dollars will be completely different from the Sacs, but the planchet composition will be identical. Every year, beginning in 2007, the Mint will release four new presidential dollars, with each bearing a portrait of one of America's forty-four presidents, starting with George Washington (and by the time the last of the coins roll out, there will have been at least 45 presidents). The Mint will also continue to strike the Sacagawea dollars during production of the Presidentials.

Besides the fact that Sacagawea Dollars turn an unattractive color after a few months in circulation, there is another major, and very obvious, aspect that makes them not used commonly in day-to-day transactions (and this was also a factor with the Ikes and SBAs). It is far less convenient to carry around a handful of clunky \$1 coins than it is a wad of \$1 bills, or just a single \$5, \$10, or \$20 bill.

However, the Presidential Dollar Act requires that the Mint and Treasury put extra effort into ensuring more broad use of the dollar coins. The coins are the same composition of the Sacagawea, though, and one of the main reasons they became unpopular was their color change after circulation. So how might the Mint and Treasury ensure that these coins will be more widely used?

Well, they could start by mandating that snack machines are created to accept dollar coins. That would eliminate the problem of machines rejecting wrinkled

dollars. Secondly, they could mandate that cash registers have a slot for the dollar coins, so customers at stores would not have to feel uncomfortable when paying with a dollar coin, then receiving a dirty look from the cashier. However, making these changes in society would take many years.

The most probable answer as to how the Treasury and Mint wish to expand use of dollar coins lies in the success of the State Quarter Program. The Presidential Dollar series closely mimics their outline of changing their design every several weeks. The main success of the State Quarters is that people like to collect them. The Mint and Treasury are most likely relying on people being interested in using the Presidential Dollars because of their collectibility. But here emerges another problem in the Presidential Dollar program. The majority of the collectors of the state quarters are younger kids. If you are eight or nine years old, and you receive, say, a \$5 allowance, a 50 cent investment on a P and D state quarter is not a significant portion of your money, yet a \$2 investment on a P and D Presidential Dollar duo is a much larger percentage. Even a single Presidential Dollar would be twice as much as a P and D State Quarter pair. When people collect and have an interest in something, they tend to be more willing to use it with frequency. With less people collecting the Presidential Dollars, there will most likely be less interest in them, and their daily use will decrease.

So are there any benefits to the Presidential Dollars? Besides the fact that they are fun to collect for those of us who can afford it, they will generate enormous amounts of money for the US government. It will cost the Mint only about 12 cents to make each Presidential Dollar. Although it costs the Bureau of Engraving and Printing only four cents to make each \$1 bill, the average life span of those bills is only about 18-24 months. The average lifespan of a coin is upwards of 30 years. In the long run the Presidential Dollars are a very economical choice for the U.S.

This is essentially the government's reason for minting the Presidential Dollars. They generate revenue. When the Sacagawea Dollars first came out well over 1.2 billion were produced that first year, but the next year, 2001, when the public's poor response to the coins was recognized, the figures sharply dropped off to below 140 million. Changing the design of the dollars every three months gives the mint the excuse to mint each new presidential design with the vigor of an entirely new series, and thus profits from the coins will continue to be very high throughout the coining and release of the Presidential Dollar series.

Put in simple terms, the Presidential Dollar campaign has dual-purposes. One is to expand the use of the dollar coins by increasing collectibility and interest in them. The second is to provide continuous profits to the US. As explained, the Presidential Dollars will most assuredly not receive as broad an audience of collectors as the State Quarters, and they will not attain a great level of use due to probable decreased interest in them. They will be very profitable to the U.S., though.

Without calling either the dollar coin or the dollar bill better than the other, let's just say that in our numismatic showdown the dollar coin is the desperado and the dollar bill the deputy. We've seen from past attempts by the U.S. Mint that the

dollar coin and bill cannot live in harmony. This town, or more properly put, *nation*, ain't big enough for the both of 'em. If the desperado, the dollar coin, shoots and kills the deputy, then the desperado will have control over the town. When put into context, if many people do in fact collect the dollar coins, interest will go up and we will use them more; or if the mint saturates the nation with dollar coins, we will be forced to use them. Either way, if we use them daily they will be considered a success.

Now if the deputy shoots and kills the desperado, then the deputy will have control over the town. The dollar bill will prevail and be dominant over the coin, and the public will reject the Presidential Dollars.

The two cannot coexist. Whether it is the coin or the bill, one must go.

The Future of our Coins

By Andy McCray

The first half of this year has been full of numismatic activity. New coins have been flying off the press left and right at the Mint, and others are on their way. So far there have been many important coin shows like the ANA National Money Show and the Long Beach Coin, Stamp, and Collectibles Expo, and there are many more yet to come. Add that all together and you have yourself a very busy year. Let's talk about what the mint will be releasing now and in the future.

The new commemorative coins were released by the Mint for purchase on January 17. They are the Franklin commemoratives. One coin has a young Franklin and the other coin has him much older. The designs are very nice with each one varying from the other. If you collect Franklin halves, you need to pick up at least one. The proof is priced at \$35 and the uncirculated at \$33.



The obverse designs of the new Benjamin Franklin Commemorative Silver Dollar
(Photos: U.S. Mint)

Wait! There was more released in January. Just two days later, on the 19th, the 50 State Quarters 5-quarter silver proof set was available for purchase. You can also buy this set in the regular clad composition for much less. The price is \$23.95 for the silver set and \$15.95 for the clad set. The new state quarters coming out this year

include Nevada, Nebraska, Colorado, North Dakota and South Dakota. You'll also be seeing those in your pockets this year. The mint sure will be busy.

Speaking of busy, think about the poor House of Representatives. They passed a major act called the Presidential \$1 Coin Act of 2005. This act calls for \$1 coins to be minted with the obverse having a portrait of all the presidents. That is a lot of coins. The act does not just call for \$1 coins. To top the presidential coins off, the act also calls for the mintage of .999 half-ounce gold coins. These would not be like the American Eagles as they would bear the image of each first lady of the United States. There is a bunch more coins. We are not done yet. The act calls for the mintage of a \$50 one ounce gold coin bearing the image of a buffalo. That coin will be very neat. Now...comes the pennies. They are going to be getting a makeover too. Starting in 2009, the 100th anniversary of the Lincoln cent obverse, the Mint will make four different designs on our pennies. It will basically be like the Westward Journey Nickel Series. Sounds like a lot for just one act!



The 2006 "Return to Monticello" Jefferson Nickel
(Photos: U.S. Mint)

Also this year, there have been new American Eagles and a redesigned Jefferson nickel. It has been a very busy year so far, and there is still much more to come. You can go to the mints website at www.usmint.com to order many of the products I mentioned above. As always, shipping is \$4.95. So for now, have a great year and hopefully you will enjoy numismatics even more than last year!

Coin Spotlight: Chinese Panda Coin

By Dmitriy Smirnov

The Coin Spotlight is a monthly column that gives a brief description of a coin and the history behind what it depicts.

The Coin

The Chinese Panda coin has been minted every year since 1982. Each time it comes with a different image of a panda. The coin is available in silver and gold. Surprisingly, it is legal tender in China! In 2003 it had not one but two pandas on it for the first time in over 20 years! I think that this is a beautiful coin and a perfect addition to anyone's collection.



The 2005 One Kilogram Silver Chinese Panda coin
(Photos: www.chinagoldcoin.net)

What's on It

The Chinese Giant Panda is called Xiong Mao in China meaning "bear-cat", because it has the shape of a bear and a cat-like face. It is called giant because it can weigh from two hundred to four hundred pounds! This creature only eats bamboo. This can be a problem sometimes because not all areas have bamboo. Pandas are very rare and are written about in the World Conservation Union's Red List of Threatened Animals. If they cannot find another bamboo forest before the one that they reside in dies, they will starve to death. The pandas that are in zoos don't have a problem because they are trained to eat many things like rice and fruits and vegetables. I think that everyone should be doing all that they can to save these wonderful animals from extinction!

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