

US Coinage In 1857

John D Wright, NLG

The US coinage of 1857 consists of fifteen totally different coins, including all of the ten different denominations authorized in 1792 (half cent and cent in copper, half dime through dollar in silver, and quarter eagle through eagle in gold) plus the gold dollar introduced in 1849, the double eagle introduced in 1850, the trime introduced in 1851, the \$3 gold introduced in 1854, and finally the small cent introduced in 1857.

In only nine years did the US mint strike all ten denominations of the 1792 mandate. The first time this was done was 1796. The second time was 1849 – over fifty years later. And the last time this was done was 1857.



The Original Ten Denominations in 1857

In 1857 the five US mints produced 51 million coins: 368,726 in copper (large cents and half cents), 17.5 million in copper-nickel (new small cents), 30.4 million in silver (3c through \$1), and 2.9 million in gold (\$1 through \$20). That is over fifty nickel cents for every copper coin of this year.

There are several rarities of this year, but no great or legendary rarities. The most noteworthy of these are the gold dollar and quarter eagle of Dahlonega (fewer than 6,000 mintage combined), and the eagle of New Orleans (fewer than 5,600 mintage). The shortest-issue DENOMINATIONS of 1857 are the \$3 (21K), the half cent (35K), and the eagle (48K), though when I tried to assemble a type set of 1857 I found the silver dollar (94K) to be the most elusive piece. When I finally found a circulated example I had to pay double *Guidebook* for it – and was willing to do so.



1857 Half Cent

The half cent of 1857, though a low-mintage issue, was evidently hoarded as an inexpensive talisman of a series that was “gone with the wind” even before the war. These are easy to find today at \$50 to \$400, which is decidedly cheap for so small a mintage.

Two of the recently-new (in 1857) US coins, the gold dollar and the double eagle, resulted from the massive quantities of gold coming from California. The gold dollar (first type, 1849-1854) is the smallest diameter coin ever produced from any US federal mint. It was made larger and thinner (same weight) in mid-1854.



Gold Dollar (Type1, 1857) and Double Eagle

The other two recently-new US coins, the 3c silver and the \$3 gold, are what I would call “postal coins”. In 1851 the US Post Office reduced postal rates from a base of 5c to 3c due to business-loss to private cartage companies who were offering the same service for 3c. Congress, in its infinite wisdom, mandated the mintage of a 3c coin to buy postage stamps. In 1854 the Post Office first sold postage stamps in 100-stamp sheets – so Congress mandated a \$3 coin to buy SHEETS of stamps. The 3c base rate for US postage held for over a hundred years (with occasional forays down to 2c) – until 1958.



US 3c 1851 US 3c 1958



Postal Coins

1857 was the year that all US mints got totally out of any coinage in copper, beginning a seven-year hiatus for all US copper. The Coinage Act of 1857 discontinued copper cents and half cents, replaced the cent with a small white (copper-nickel) cent, gave “legal tender” status to the new base-metal coins struck by the US, and declared ONLY US-struck coins to be legal money here. Until then foreign coins, mostly Mexican or British silver, had circulated freely in the US.

On May 25 two booths are set up in the courtyard of the US mint in Philadelphia with signs proclaiming “CENTS FOR SILVER” and “CENTS FOR CENTS” to redeem foreign silver and gold coins (by weight) or the old copper US cents and half cents for the newly-minted flying eagle (nickle-alloy) cents. For some unknown reason there are no complaints that the new cents look like silver and are about the same size as dimes. Lines of eager customers extend for blocks to obtain the new coins as the era of the large cent and the half cent finally draws to a close.

The designs on the new cent borrow the reverse of the 1836 silver dollar for its obverse and the reverse of the 1854 (type 2) gold dollar for its reverse. This design will be used for only two years, to be replaced in 1859 with the now-familiar “Indian Head”.



FE Cent Obv Source



FE Cent Rev Source



The Wildly-Popular “NEW” Cent

AND MORE

At this time mail and government shipments to/from California were carried on a bi-weekly run involving civilian paddlewheel steamboats manned by US Navy officers. The route between San Francisco and New York involved a Pacific ship, a railroad crossing of the Panama isthmus (the world's first “trans-continental railroad” at a 48 mile length, completed in 1855), and an Atlantic ship. On September 8, the mail packet *SS Central America* from Aspinwall, Panama departed Havana for New York under command of Captain James Herndon, US Navy. Though rated for 200 passengers, she carried almost 600 passengers, 38,000 letters, and reportedly 21 tons of California gold. On September 12 in stormy seas she was leaking and a bailing-bucket brigade was initiated to augment the deck pumps. Despite being intercepted by the schooner *El Dorado*, only 153 passengers, mostly women and children, were transferred before the *Central America* sank with all remaining souls. Her exact location will remain unknown for over 130 years.



Steam Ship Central America

Captain Herndon went down with his ship. Today at the US Naval Academy in Annapolis MD, a 21-foot granite obelisk honors Captain Herndon and the date he lost his life to the sea.



Herndon Monument USNA

The fascinating tale of the demise, search, discovery, and salvaging of the *SS Central America* treasure is best told in Gary Kinder's *Ship of Gold in the Deep Blue Sea*. This is a VERY captivating read which I HIGHLY recommend. Its only drawback is a paucity of pictures – a deficiency that is abundantly satisfied with Tommy Thompson's coffee-table book *America's Lost Treasure*, published seven months later. Both of these books are available on AbeBooks.com at bargain prices. As of 2018 over 3.5 tons of gold have been recovered from this deepwater wreck.



SS Central Am Treasure

In six years pre-1857 US railroad trackage has grown from 9,000 to 30,000 miles. In 40 years overland transportation costs have fallen by a factor of sixteen. Railroads are big business, but this year the financial bubble bursts. The cause for the bust is over speculation in railroad shares and land, with the panic triggered by the one-two punch of the failure of the Ohio Life Insurance and Trust Company and the reported loss of 21 tons of gold on the *SS Central America*. But that erroneous report included a 15 ton military shipment that was NOT on board. Almost 5,000 business firms will fail this year in the “Panic of 1857”. Within the next two years another 8,000 businesses will fail. The *New York Tribune* fires all but two of its foreign correspondents in an economy move. One of the two retained correspondents is Karl Marx, author of *The Communist Manifesto*.

But California, being separated by two thousand miles of Indian Territory from the rest of the US, has its own need for circulating money. Local assayers fill this need from 1849 until shortly after the startup of the US mint in San Francisco in 1854 with privately-made gold coins ranging from a tiny 25c piece called a “pinch” to gigantic 2.5 ounce coins called “slugs” or “quintuple eagles”. An octagonal version of the latter is even coined at the US assay office for gold in Mount Ophir, California, the predecessor of the San Francisco Mint. The US Assayer, Augustus Humbert, refers to these pieces as “ingots”.



Privately-Minted Cal Gold

More major changes in US coinage will be made in 1864-1866. In 1864 the copper-nickel cents will be replaced with bronze cents, and bronze 2c coins will be introduced at about the same size and weight as the recently retired half cents. So after a seven-year hiatus the United States resumes copper coinage, to be discontinued again in 1882, by which time copper is deemed “too expensive for coinage of cents”. In 1865 the copper-nickel composition will be RE-introduced in 3c pieces (the exact same size as a dime), and in 1866 to 5c pieces (distinct from silver half-dimes, which will continue to be made for another seven years). So the 1866-1872 period will boast a 2c piece, TWO totally different 3c pieces, TWO totally different 5c pieces, and

TWO totally different dollars. With thirteen denominations, that makes SIXTEEN wholly different coins for each of these years.



New Coins 1864-1866

Interesting enough, each new nickel-composition coin introduced – 1c in 1857, 3c in 1865, and 5c in 1866 – is called a “nickel” by the public. Today, only the 5c nickel remains.



Only Surviving “Nickel”

James Buchanan will be able to postpone for his tenure the bloody years to come, but the next administration will reap the whirlwind that has been brewing for several decades.

During that four-year conflict (April 1861 to April 1865) over one in every thirty Americans will be officially murdered by their contryman's hand – more than in all other United States wars.



All US Coinage Around 1857

Though each year beyond 1857 continues to have a rich collection of nuggets of fascination both trivial and momentous, this year marks the end of the era of “Early American Coppers”.