

= Three @-@ cent nickel =

The copper @-@ nickel three @-@ cent piece , often called a three @-@ cent nickel piece or three @-@ cent nickel , was designed by US Mint Chief Engraver James B. Longacre and struck by the United States Bureau of the Mint from 1865 to 1889 . It was initially popular , but its place in commerce was supplanted by the five @-@ cent piece , or nickel .

With precious metal federal coinage hoarded during the economic turmoil of the American Civil War , including the silver three @-@ cent piece , and even the copper @-@ nickel cent commanding a premium , Congress issued paper money in denominations as small as three cents to replace the hoarded coins in commerce . These small slips of paper became ragged and dirty , and the public came to hate " shinplasters " . After the issuance in 1864 of a lighter bronze cent and a two @-@ cent piece of that metal , both of which circulated freely , there were proposals for a three @-@ cent piece in copper @-@ nickel to replace the three @-@ cent note . The advocates were led by Pennsylvania industrialist Joseph Wharton , who then controlled the domestic supply of nickel ore . On the last legislative day of the congressional session , March 3 , 1865 , a bill for a three @-@ cent piece in copper @-@ nickel alloy was introduced in Congress , passed both houses without debate , and was signed by President Abraham Lincoln .

The three @-@ cent nickel piece initially circulated well , but became less popular when the five @-@ cent nickel was introduced in 1866 , a larger , more convenient coin , with a value of five cents better fitting the decimal system . After 1870 , most years saw low annual mintages for the three @-@ cent nickel , and in 1890 Congress abolished it . The last were struck in 1889 ; many were melted down to coin more five @-@ cent pieces . The issue is not widely collected , and prices for rare dates remain low by the standards of American collectible coinage .

= = Background = =

The great influx of bullion from the California Gold Rush and other finds caused the price of silver relative to gold to increase starting in 1848 , and silver coins were hoarded or exported for melting . In 1851 , a bill for a three @-@ cent piece in 75 % silver and 25 % copper was introduced in Congress by New York Senator Daniel S. Dickinson , who wanted to lower postage rates from five to three cents . This percentage of silver was less than the normal 90 % so that the coins would circulate at a time of hoarding . The copper large cent did not circulate in the Pacific Coast region or South due to prejudice against coins that did not contain precious metal , and some means of allowing the purchase of a postage stamp without the use of copper cents was necessary . Dickinson 's bill passed on March 3 , 1851 , and in addition to authorizing the new three @-@ cent silver , lowered rates for most domestic mails . By 1854 , the imbalance had abated , and Congress increased the silver content of the three @-@ cent piece to the standard 90 % for silver coins , though its weight was reduced .

The large cent was replaced by a smaller version made of 88 % copper and 12 % nickel in 1857 . In 1861 , the Civil War began , and when efforts to finance the war via borrowing failed , the Treasury stopped paying out gold in December 1861 . The United States shifted to a paper money @-@ based economy with little disruption . By June 1862 , the price of silver had risen to the point where coins of that metal vanished from circulation , many exported to Canada , where they were both acceptable in circulation , and could be exchanged for gold . This departure of low @-@ value coins was far more disruptive to commerce than the loss of the high @-@ denomination gold coins , and change in transactions was made by a variety of makeshifts . These included currency issues by cities and businesses , encased postage stamps , and federally issued fractional currency ? paper notes in denominations as small as three cents . The low @-@ value paper currency , whether issued by government or business , were called shinplasters by the public , which disliked them . On the Pacific Coast , where paper money was not favored , silver and gold continued to circulate .

Since fractional currency in three @-@ cent denominations did not appear until late 1864 , the cent was the only means then circulating of making change from the five @-@ cent note , and came , in 1862 and 1863 , to command a premium when sold in lots , of about 4 % . The Philadelphia Mint

tried to keep up with demand , limiting public purchases of cents to five dollars , and sending shipments to major cities . Despite these attempts , Mint Director James Pollock noted in his annual reports that cents were almost unobtainable , hoarded despite the fact that their metallic value remained less than one cent each . Numismatist Neil Carothers theorized that they were put aside by the public as the only circulating federal coinage , made of metal at a time when the public was forced to accept flimsy pieces of paper instead of silver and gold .

With cents from the Philadelphia Mint selling at a premium , many private token issues were issued in 1863 , and passed as cents in commerce . Mint officials took notice that the tokens , often made of bronze rather than the copper @-@ nickel alloy then being used in the cent , were not hoarded and began to consider issuing bronze coins . When Pollock proposed legislation for bronze one- , two- , and three @-@ cent pieces , it was opposed by industrialist Joseph Wharton , owner of the major source of nickel in the United States at the time , a mine at Gap , Pennsylvania . Pollock 's bill , as introduced , provided for one- and two @-@ cent pieces of bronze , and the Wharton interests opposed it . According to Carothers ,

Congress declined to compromise with the nickel interests ... In the House , its opponents managed to delay its passage for a month . Thaddeus Stevens , one of the most influential men in the House , fought it bitterly , admitting , however , that he objected to it because it adversely affected Wharton 's interests .

The Coinage Act of 1864 passed into law on April 22 of that year . After entering circulation several months later , the bronze cent and two @-@ cent piece circulated in trade without being hoarded . The bronze alloy was easier to strike than the copper @-@ nickel one , allowing details to be brought forth sharply and extending the life of coinage dies .

= = Legislation = =

Nickel , formerly used in the cent , now had no place in American coinage . This was unsatisfactory to Wharton , who sought its return . Although Pollock made no mention of further nickel coinage in his 1864 annual report , Wharton in April of that year published a pamphlet proposing that all non @-@ precious metal coinage be composed of 75 % copper and 25 % nickel . The copper @-@ nickel cents had contained only 12 % nickel , and even so had been difficult for the Mint to strike due to the hardness of the metal , the use of which damaged equipment and quickly broke dies . An alloy of 25 % nickel would be even more difficult to coin . Wharton argued that the tough alloy would be difficult to counterfeit .

Congress had by the Act of March 3 , 1863 authorized fractional currency in the denomination of 3 cents ; when these notes reached circulation the following year they proved wildly unpopular . The 1864 law which had substituted bronze for copper @-@ nickel had also outlawed " copperheads " or private token issues . Even though these could now only be issued anonymously , and so could not be redeemed , the copperheads were preferred to the 3 @-@ cent shimplasters . Some copperhead tokens even read " Substitute for shimplasters " . The notes soon became filthy and ragged , making them even more disliked . They were more difficult to value in quantity than notes with denominations divisible by five . According to Walter Breen , " This was the moment Wharton 's supporters had been waiting for . " Wharton and his advocates argued that the three @-@ cent notes should be redeemed with equivalent coins . They contended that were Congress to order a three @-@ cent bronze coin , such a piece would be as big as an obsolete large cent , and might be used to deceive the blind into accepting the pre @-@ 1857 cent rather than the more valuable coin . Pollock , previously an opponent of nickel coinage , had a change of heart and became a supporter .

There are several slightly varying accounts of why the bill for the three @-@ cent nickel passed . Breen told of the pressure advocates for nickel put on House Coinage Committee chairman John Adam Kasson , finally winning him over to the position that even 25 % nickel coins (which would be hard on the Mint 's equipment) would be better than the continued use of shimplasters , and presenting him with a draft of a bill for a three @-@ cent piece of that alloy . The bill made the new coin legal tender to sixty cents . The 1864 act had made the cent legal tender to ten cents , and the

two @-@ cent piece to twenty ; both limits were reduced to four cents . The bill did not abolish the three @-@ cent silver piece , which was still being struck in small quantities . The new copper @-@ nickel coins would be issued in exchange for three @-@ cent shinplasters ? the Currency Bureau was instructed to print no more three @-@ cent notes .

The bill passed the House of Representatives on the evening of March 3 , 1865 . At the time , it was usual to extend the final day of the congressional session in odd @-@ numbered years to noon on March 4 , and this occurred . The Senate took up the bill late on the morning of March 4 . Action was repeatedly interrupted , first by Ohio Senator John Sherman reporting progress on an appropriations bill , then by Iowa 's James Grimes stating that ticket holders for the inaugural festivities at noon were being soaked by rain outside the Capitol , causing some debate as to whether they should be admitted early . Once female guests were admitted (males were left outside) , the Senate passed the three @-@ cent nickel bill without debate , and it was shortly thereafter signed by President Abraham Lincoln .

Q. David Bowers said of the sudden passage of the legislation " We can only guess what happened behind the scenes " . Carothers wrote that Kasson had opposed nickel coinage , but nevertheless introduced the bill for it during the rush of the final day of the congressional session , " There was no report and no explanation ... The influences that brought about the passage of the measure in this fashion were never revealed . " Numismatic historian Don Taxay suggested that by March 3 , 1865 , " the wide circulation of the bronze cent and two @-@ cent piece had made a three @-@ cent coin superfluous . "

= = Design = =

Mint Chief Engraver James B. Longacre had , since 1849 , designed coins with various visages of the goddess Liberty , based on a bust , Venus Accroupie , he had seen in a Philadelphia museum on loan from the Vatican . Although the Liberty as used on the three @-@ cent nickel piece is closest to Longacre 's experimental cents of 1857 and quarter eagles of 1860 , she resembles most of the Chief Engraver 's other depictions of Liberty . On the three @-@ cent piece , she wears a coronet with her name on it , and a ribbon binds her hair . For the reverse , Longacre combined the Roman numeral III as rendered on the silver three @-@ cent piece with the laurel wreath used on the 1859 Indian Head cent reverse . Breen suggested that the similarity of design to other Longacre coins has contributed to the low level of collector interest in the three @-@ cent nickel .

According to Lange , " resourceful as always , J.B. Longacre simply revised an existing image of Liberty for the obverse of the nickel three @-@ cent piece . The same classical profile that appears on the Indian Head cent , the gold dollar , and the \$ 3 piece is seen fitted with a new hairstyle and a studded coronet inscribed Liberty . " The act that authorized the three @-@ cent nickel contained a provision requiring the use of the motto " In God We Trust " on all pieces large enough to bear it , but the new coin was deemed too small . No change was made to the design of the three @-@ cent piece in nickel during its lifetime .

= = Production = =

= = = Early years (1865 ? 73) = = =

The three @-@ cent nickel piece was very popular when it entered circulation in mid @-@ 1865 . More convenient than the larger two @-@ cent bronze piece , it largely replaced that coin , starting the two @-@ cent on its way to decreased popularity and abolition in 1873 . The hard alloy , though , caused high levels of die breakage . Between 1865 and 1876 , some 17 million three @-@ cent pieces were used by the government to redeem the three @-@ cent fractional currency notes .

The Wharton nickel interests were not satisfied by the issuance of the three @-@ cent piece , and soon began to agitate for the passage of a five @-@ cent coin , to be made of the same alloy as the three @-@ cent piece . The Act of May 16 , 1866 introduced the five @-@ cent nickel piece , or "

nickel " , as it has come to be known . According to David Lange in his history of the Mint , the five @-@ cent piece has " become one of the mainstays of the country 's coinage " . The new five @-@ cent coin was legal tender up to a dollar .

The introduction of the five @-@ cent copper @-@ nickel piece greatly decreased the popularity and use of the three @-@ cent piece . The three @-@ cent piece had debuted in 1865 with a mintage of over eleven million and nearly five million in 1866 ; thereafter strikings declined , falling to under a million by 1871 , a figure the coin would thereafter exceed only twice . The public had preferred small bronze coins to paper money , then the three @-@ cent nickel piece rather than the bronze ; they now preferred the five @-@ cent nickel to the three . One reason for this was that the base metal five @-@ cent piece would be redeemed by the government if presented in \$ 100 lots pursuant to a provision in the authorizing legislation . There was no such provision for the three @-@ cent nickel piece ; neither was there any for the other base metal coins . Following Pollock 's resignation in 1866 over his objections to President Johnson 's Reconstruction policies , the new Mint Director was Henry Linderman , who in his first annual report in 1867 , described the redemption clause in the nickel 's authorizing legislation as " a most wise and just provision " , urging its extension to the cent , two @-@ cent piece , and three @-@ cent piece . Postmasters were compelled to take three @-@ cent nickel pieces in exchange for stamps , but had difficulty in depositing them in the Treasury in payment of their obligations , as the government would take no more than sixty cents worth of them in a single transaction . Private individuals and firms similarly refused them beyond the legal tender limit ; those with a surplus of base metal coins often sold them at a discount .

Congress took no action on a redemption bill , and in 1868 Linderman wrote again in his annual report , urging that the public be allowed to redeem small @-@ denomination coins , as commerce was flooded with them . He disclosed that he had been redeeming the old copper @-@ nickel cents with three @-@ cent pieces and nickels . Carothers pointed out that exchanging the copper @-@ nickel pieces for cents violated the 1865 and 1866 acts , that stated the three @-@ cent piece and nickel could not be purchased with cents , but only for greenbacks or specie . Linderman strongly advocated a redemption law to relieve the glut of small coins :

But the government that sold these tokens at par for their face value , or paid them as money to its creditors , now turns round and refuses to receive them back in payment from its own officers ... Was there ever an act of the government of a respectable people that , for meanness , can compare with this ? An individual that practiced such a confidence game would be branded as a two @-@ penny thief , and would soon be consigned to a house of correction . A government that practices such frauds upon the people cannot hope long to receive the respect of anybody .

In 1866 , Treasury Department official John Jay Knox was sent to examine the San Francisco Mint . After his return to Washington , he submitted a report that recommended many changes to how the Mint did business , including reform of the base @-@ metal coinage . Knox complained that the various enactments for non @-@ specie coinage were " entirely disconnected and incongruous " . Linderman submitted legislation to discontinue fractional currency of less than 25 cents , and authorizing copper @-@ nickel coins of one , three and five cents , legal tender and redeemable , and in the case of the three @-@ cent piece , larger and heavier than the existing coin . Linderman 's bill was introduced by Pennsylvania Representative William D. Kelley in February 1868 . It passed the House in amended form , but was not voted on in the Senate . Kelley tried again in the following term of Congress , and the bill met the same fate as its predecessor .

Pollock returned to office as Mint Director in 1869 . Although Pollock opposed redemption , Treasury Secretary George S. Boutwell did not , and a bill allowing for redemption of base @-@ metal coins in lots of at least \$ 20 was signed into law by President Ulysses S. Grant on March 3 , 1871 . By then , early versions of what became the Coinage Act of 1873 were being considered by Congress . This was a major piece of legislation that reformed the laws relating to the Mint . As introduced by Ohio Senator John Sherman on April 28 , 1870 , it included Linderman 's proposal for the use of copper @-@ nickel in the minor coins . The debate over the bill stretched over the next three years . The use of nickel was a sticking point for the legislation ; some congressmen alleged that the whole point of the bill was to benefit Wharton . Between 1870 and 1872 , different versions

of the bill , with a larger three @-@ cent piece , twice passed the House and once the Senate , but differences between the houses could not be reconciled . After the second House passage , in May 1872 , the Senate Finance Committee struck the provisions for copper @-@ nickel coinage . After a conference committee met , both houses passed a version that left the cent , three @-@ cent nickel piece , and nickel unaltered , and it was signed by President Grant on February 12 , 1873 . The act eliminated the two @-@ cent piece , silver three @-@ cent piece , silver half dime and the standard silver dollar (the last denomination was reinstated in 1878) . The three @-@ cent piece was made legal tender to twenty @-@ five cents , as were the other two base @-@ metal coins , the cent and nickel (the surviving silver coins were legal tender to five dollars) . Numismatic writer Breen deemed the decision to eliminate the silver three @-@ cent piece and the half dime , which might directly compete with the two copper @-@ nickel coins , a favor to Wharton . Carothers called the abolition of the silver three- and five @-@ cent pieces " a necessity if the 3 cent and 5 cent nickel pieces were to be continued after the revival of silver coinage " .

= = = Decline and end (1873 ? 90) = = =

On January 18 , 1873 , Philadelphia Mint Chief Coiner A. Loudon Snowden formally complained to Pollock that on the new year 's coins , the digit " 3 " too closely resembled an " 8 " . Pollock ordered Chief Engraver William Barber (Longacre had died in office on January 1 , 1869) to redo the logotypes for the date . Thus , most denominations of American coinage dated 1873 , including the three @-@ cent nickel piece , have varieties : the Close (or Closed) 3 from early in the year , and the Open 3 from after Barber made his modifications . A total of 390 @,@ 000 Closed 3 and 783 @,@ 000 Open 3 of the three @-@ cent nickel were minted .

Numismatist Bruce C. Goldstein indicated that several factors combined to keep the nickel three @-@ cent piece in decline after the passage of the 1873 act . Less and less fractional currency was being redeemed , as almost a decade had passed since the issuance of three @-@ cent notes . Rich silver strikes in the West lowered the price of that metal to the point where old silver coins emerged from hoarding and circulated again . These factors , combined with ample stocks of cents and nickels , made the three @-@ cent nickel , a non @-@ silver coin of odd denomination , less desirable . By 1876 , the mintage for circulation had declined to 162 @,@ 000 . None were struck for circulation in 1877 and 1878 , though some proof coins were minted for sale to the public .

Although more than a million were minted in 1881 , another blow to the three @-@ cent piece occurred on October 1 , 1883 , when first @-@ class mail rates were lowered from three to two cents for the first 0 @.@ 5 ounces (14 g) . Although the rate for pieces weighing up to 1 ounce (28 g) initially remained at three cents , the two @-@ cent rate was extended to one ounce effective July 1 , 1885 . Deprived of the original reason for the denomination 's existence , no three @-@ cent pieces were struck for circulation in 1886 (though several thousand proof coins were produced) , and in the three remaining years of the piece 's life , a total of less than 60 @,@ 000 circulation strikes were minted . As the production of three @-@ cent pieces dwindled , the other non @-@ specie coins prospered , with record numbers of cents being struck in the 1880s to address the need to make change , and for penny arcade machines . The nickel proved popular in slot machines and street railways , which often set fares at five cents . With silver again circulating , the three @-@ cent piece became more unpopular because it was almost the same diameter as the dime , leading to confusion and small frauds .

Beginning in 1880 , in their annual reports , the Mint Director and Treasury Secretary appealed to Congress to discontinue the three @-@ cent piece . The last three @-@ cent pieces were struck in 1889 , and the denomination was discontinued , along with the gold dollar and the three @-@ dollar piece , by the Act of September 26 , 1890 . Many of the coins from 1888 and 1889 were still held at the Treasury Department and were melted after passage of the act , the fate of millions more as they flowed back from banks . The resultant metal contributed to large mintages of the Liberty Head nickel between 1890 and 1893 .

One proposal to revive the three @-@ cent piece was made in 1911 , when Mayors Brand Whitlock of Toledo , Ohio , and Newton D. Baker of Cleveland sent a joint memorial to Congress urging its

return . The following year , a subcommittee of the House Committee on Coinage , Weights and Measures held a hearing on bills to authorize a copper @-@ nickel three @-@ cent piece and to change the composition of the cent to copper @-@ nickel . Mint Director George E. Roberts testified and indicated he had no objection to a three @-@ cent piece , as there was at least limited demand for a coin larger than the cent and smaller than the nickel . In 1936 , a bill for a three @-@ cent nickel was among various coin legislation considered by the Senate Banking Committee . In 1942 , Congress granted the Treasury Secretary the temporary authority to change the composition of the nickel because of wartime metal shortages , and if public demand for the five @-@ cent piece required it , the Mint could strike three @-@ cent pieces . Nothing came of any of the proposals . The three @-@ cent piece was made fully legal tender by the Coinage Act of 1965 , which proclaimed all coin and currency of the United States good to any amount for payment of public and private debt . By then , that coin had long since passed from the scene .

= = Collecting = =

According to the 2015 edition of R.S. Yeoman 's A Guide Book of United States Coins , only the pieces from 1882 to 1887 catalog for more than \$ 100 in worn Good @-@ 4 condition ; common dates list for \$ 18 in that condition . The highest value listed is for the 1877 , struck only in proof with a mintage of 900 , at \$ 2 @,@ 000 . David F. Fanning , in his 2001 article on the three @-@ cent pieces , suggested that rarer specimens of the nickel three @-@ cent piece are relatively inexpensive compared with coins of similar mintage in more popular series , such as the Morgan dollar .

The design of the three @-@ cent nickel piece remained stable throughout its run , and there are few varieties . An overdate is known , 1887 / 6 . The die that struck those coins was originally dated 1886 , when no circulation strikes were made . So the die would not be wasted , the Mint altered the last digit from a 6 to a 7 ; evidence of both numbers is visible . Some 1865 pieces in proof condition display a wreath on the reverse that comes much closer to touching the rim than on later issues . These were most likely pattern coins but they are accepted as issued because the Mint placed them in some 1865 proof sets . Many of the three @-@ cent nickel pieces were not fully struck , and are missing details of the design ; this is because the head of Liberty is directly opposite the III , and the Mint had trouble getting the hard metal alloy to adequately flow to the high points of both sides .