

= Three @-@ cent silver =

The three @-@ cent silver , also known as the three @-@ cent piece in silver or trime , was struck by the Mint of the United States for circulation from 1851 to 1872 , and as a proof coin in 1873 . Designed by the Mint 's chief engraver , James B. Longacre , it circulated well while other silver coinage was being hoarded and melted , but once that problem was addressed , became less used . It was abolished by Congress with the Coinage Act of 1873 .

After a massive importation of gold bullion during the California Gold Rush , silver could be traded for increasing amounts of gold , so U.S. silver coins were exported and melted for their metal . This , and the reduction of postage rates to three cents , prompted Congress in 1851 to authorize a coin of that denomination made of .750 fine silver , rather than the conventional .900 . The three @-@ cent silver was the first American coin to contain metal valued significantly less than its face value , and the first silver coin not to be legal tender for an unlimited amount . The coin saw heavy use until Congress acted again in 1853 , making other silver coins lighter , which kept them in circulation . Congress also lightened the three @-@ cent silver , and increased its fineness to 900 silver .

With the return of other denominations to circulation , the three @-@ cent silver saw less use , and its place in commerce was lost with the economic chaos of the American Civil War , which led to hoarding of all gold and silver coins . A three @-@ cent piece in copper @-@ nickel was struck beginning in 1865 , and the three @-@ cent silver saw low mintages for its final decade before its abolition . The series is not widely collected , and the pieces remain inexpensive relative to other U.S. coins of similar scarcity .

= = Background = =

Although the Mint of the United States had been striking silver coins since the 1790s , they did not always circulate due to fluctuations in the price of the metal . In 1834 , for example , half dollars sold on the market at a premium of one percent . The U.S. was then on a bimetallic standard , and though Congress had slightly overvalued silver with respect to gold , enough Mexican silver flowed into the country to produce a rough equilibrium .

By early 1849 , most of the silver coins in circulation were small coins of the Spanish colonial real , including the " levy " ( one real ) and " fip " ( half real ) . The levy and fip often passed for twelve and six cents respectively in the Eastern U.S. The mint accepted them as payment at a slightly lower figure , but even so , lost money on the transactions as many of the pieces were lightweight through wear . The odd denominations of the levy and fip were a convenience , allowing payment or change to be made without the use of cents , which were at that time large , made of copper , and not accepted by the government as legal tender due to their lack of precious metal . In the Western U.S. , the levy and fip were accepted as the equivalent of the silver dime and half dime , although the Spanish pieces contained more silver .

= = Inception = =

Bullion from the California Gold Rush and other discoveries came to the Eastern U.S. in considerable quantities beginning in 1848 . By the following year , the price of gold relative to silver had dropped , making it profitable to export American silver coins , sell them as bullion , and use the payment in gold to buy more U.S. coins . Silver coins consequently vanished from circulation , meaning the highest @-@ value American coin actually circulating that was worth less than the quarter eagle ( \$ 2 @-@ 50 piece ) was the half @-@ dollar @-@ sized copper cent , which saw no use in much of the country because of its lack of legal tender status . Early in 1849 , Congress authorized a gold dollar to help bridge the gap . Spanish silver coins were the bulk of what was left in commerce for small change , although there was disagreement as to the value to be assigned to them . Additionally , they were often heavily worn , reducing their intrinsic worth at a time when Americans expected coins to contain metal worth the value assigned to them .

In 1850 , New York Senator Daniel S. Dickinson introduced legislation for a three @-@ cent piece

in .750 fine silver , that is , three parts silver to one part copper ( American silver coins were then .900 fine ) . He proposed to offer it in exchange for the Spanish silver , which would be valued at eight reals to the dollar for the purpose , higher than the going rate . The new coin would weigh three @-@ tenths as much as the dime , but the debasement of the silver would compensate the government for the losses it would take in redeeming the underweight , worn Spanish coins . The three @-@ cent denomination was chosen as it coordinated well with the six and twelve cent values often assigned the fip and levy . The House of Representatives instead considered legislation to reduce the valuation of the Spanish coins to ten cents per real , and to strike a twenty @-@ cent piece , of .900 silver , to facilitate the exchange . Neil Carothers , in his book on small @-@ denomination American money , suggests that the House 's plan would have resulted in the Spanish coins staying in circulation , and any twenty @-@ cent pieces issued being hoarded or melted . No legislation passed in 1850 , which saw continued export of America 's silver coinage .

Impetus for the passage of a three @-@ cent coin came when Congress , in January 1851 , considered reducing postage rates from five cents to three . In 1849 , House Committee on Ways and Means chairman , Samuel Vinton , had written to Mint director Robert M. Patterson that his committee was considering both reducing the postage rate and instituting a three @-@ cent coin . Although no legislative action was then taken , Patterson had the mint prepare experimental pattern coins . The House committee proposing the 1851 bill included Dickinson 's three @-@ cent piece , and provided that it be legal tender up to 30 cents . When the bill was debated in the House on January 13 , 1851 , New York Congressman William Duer indicated that he felt both coin and stamp should be denominated at 21 ½ cents , and his fellow New Yorker , Orsamus Matteson , offered an amendment to that effect . The amendment failed , as did every other attempt to change the legislation , including Dickinson 's plea , in the Senate , to restore the requirement that the new coin be used to retire some of the Spanish silver . The bill passed both houses , and became the Act of March 3 , 1851 when President Millard Fillmore signed it .

Carothers pointed out the precedent @-@ setting nature of the legislation , the first to authorize an American silver coin containing an amount of metal worth considerably less than its face value :

This almost forgotten statute is one of the most significant measures in American currency history . After resisting for sixty years every attempt to introduce any form of fiduciary silver coinage , Congress adopted a subsidiary silver coin as an adjunct to the postal service , without realizing that the first step had been taken in the relegation of silver to the status of a subordinate monetary material . The new piece was the first silver coin in the history of the United States that was not legal tender for an unlimited amount . Subsidiary coinage had been established , but in a trivial way , by an unworkable law , and at a time when the entire silver currency was flowing out of the country .

= = Preparation = =

In addition to striking the pattern coins in 1849 , officials at the Philadelphia Mint continued to experiment with three @-@ cent silvers . The matter was caught up in ongoing conflict between Mint chief coiner Franklin Peale , and the chief engraver , James B. Longacre , who each prepared designs . Peale produced a coin depicting a Liberty cap , based on a design prepared by Longacre 's late predecessor , Christian Gobrecht , in 1836 . Longacre prepared a design similar to the coin that was eventually released .

On March 2 , 1851 , the day before the legislation was passed , Longacre , with the reluctant permission of Patterson ( a Peale ally ) sent Treasury Secretary Thomas Corwin samples of his proposed three @-@ cent piece , along with a letter explaining the symbology . Patterson preferred Peale 's design , but recommended Longacre 's for approval on the ground that it was in lower relief . Patterson , writing to Corwin on March 7 , indicated that if the three @-@ cent were struck in .900 silver , it would be hoarded , but as the silver in the .750 pieces was worth only two and a half cents , the Mint would profit via seignorage from coining the new pieces . Patterson also suggested that the New Orleans Mint could be used to strike the new coin .

Despite the provision of the Mint Act of 1837 entrusting Longacre , by virtue of his office , with responsibility for preparing dies , Peale prepared his own and ran off some sample three @-@ cent

pieces . Both types of pattern coin were sent by Patterson to Corwin on March 25 , 1851 , with the Mint director 's recommendation that the chief engraver 's design be selected . The next day , acting Treasury Secretary William L. Hodge approved Longacre 's design . Knowing there was a large demand for the new coins , Patterson thought it best to build up a stock of 500 @,@ 000 before beginning distribution .

= = Design = =

Art historian Cornelius Vermeule , in his book on American coins and medals , considered the silver three @-@ cent piece one of the ugliest U.S. coins , though it " has the redeeming feature of delicate workmanship " . Dennis Tucker , head of Whitman Publishing , in 2016 described the coin as " something of a ' Sarah plain and small ' " . Congress had required , in the authorizing act for the three @-@ cent silver , that the piece bear a design distinct from both the gold dollar and the other silver coins . As Longacre wrote in his letter to Corwin of March 2 , 1851 @,@

On so small a coin it is impossible that the device can be at once conspicuous and striking unless it is simple ? complexity would defeat the object . For the obverse I have therefore chosen a star ( one of the heraldic elements of the National crest ) bearing on its centre the shield of the Union , surrounded by the legal inscription and date . For the reverse I have devised an ornamental letter C embracing in its centre the Roman numeral III , the whole encircled by the thirteen stars .

Longacre 's original design for the reverse ( type 1 ) was altered when the fineness of the coin was increased in 1854 , to aid the public in distinguishing between them . For the type 2 and type 3 , ( the reverses of which are identical , the only differences between the two types are on the obverse ) an olive sprig , a symbol of peace , was added over the III , and a bundle of three arrows , a symbol of war , below it . The arrows are bound by a ribbon .

= = Production = =

= = = Type 1 ( 1851 ? 1853 ) = = =

According to numismatic historian Walter Breen , " the new 3 ¢ coins were minted in large quantities , went immediately into circulation , and stayed there " . Despite mechanical difficulties in striking so small a piece , a total of 5 @,@ 446 @,@ 400 were struck at Philadelphia in 1851 , and 720 @,@ 000 at New Orleans ? the latter would prove the only mintage of three @-@ cent pieces outside Philadelphia . The coins were shipped directly to post offices for use with stamps . Members of the public who wanted pieces were refused them by mint officials , who advised would @-@ be purchasers to seek them at treasury depository branches .

The small size of the coins , which were dubbed " fish scales " , was disliked as they were easily lost . The mint used them to redeem some of the Spanish silver , but the bulk of those foreign coins remained in circulation . A shopper paying for a small purchase with a gold dollar might receive fifteen or so three @-@ cent pieces and the remainder in badly worn fips and other small silver coins . One Philadelphia newspaper reported , derisively , that merchants were reduced to giving ladles full of three @-@ cent pieces in change for a five @-@ dollar banknote .

Silver coins continued to flow out of the U.S. in 1852 , and the three @-@ cent silver saw its highest mintage , 18 @,@ 663 @,@ 500 , all from Philadelphia . The value of these pieces was larger than that of all other silver coins struck by the mints in 1852 . The chaotic state of commerce , with no circulating federal coin valued between the three @-@ cent piece and gold dollar , was a source of concern , and mint officials and congressmen corresponded in 1852 concerning a reduction in weight of silver coins such as the half dime and half dollar . Congress at last responded by laws passed on February 21 , 1853 and March 3 , 1853 . These reduced the weight of all silver coins except for the silver dollar . The three @-@ cent piece had its weight reduced from .8 grams to .75 , but its fineness increased to .900 . Although the other reduced @-@ weight silver coins were given legal tender limits of five dollars , that of the three @-@ cent piece remained at thirty cents .

Carothers theorized , " Congress , probably realizing that the 3 cent piece was a misfit at best , preferred to leave it with a discordant legal tender value " . Pursuant to these congressional acts , mintage of the type 1 three @-@ cent silver stopped on March 31 , 1853 . These changes to the silver coinage alleviated the problem of small change , as the new lightweight coins remained in circulation and were not then hoarded .

== = Type 2 ( 1854 ? 1858 ) == =

The shift to .900 silver for the three @-@ cent silver was intended to help drive the Spanish coins out of circulation . Longacre made changes to both sides of the three @-@ cent silver , engraving a triple line around the star on the obverse and adding an olive branch and bunch of arrows to the reverse . These parallel changes were made to the other silver coins of less than a dollar to distinguish the new , lighter coins from the old . Since it was more urgent to complete work on the modifications to silver coins such as the half dollar and quarter , Longacre left the three @-@ cent piece for last , and did not complete work on the coin until late 1853 . The new treasury secretary , James Guthrie , approved the changes on November 10 .

Starting with 1854 , small quantities of proof coins were struck and apparently distributed in sets with the other silver coins . Beginning in 1858 , Mint director James Ross Snowden made the proof sets available to the general public .

The 1853 acts had prohibited the mint from buying silver from the public . Since the silver dollar was heavy relative to its value , little silver was presented for striking into that piece . As the statutes did not permit the public to deposit silver and receive it back in the form of subsidiary silver coins ( the three @-@ cent piece through half dollar ) , this effectively placed the U.S. on the gold standard . Despite the statutes , in 1853 and 1854 , Snowden had the mint purchase large quantities of silver bullion at a fixed price , generally above the market rate , and struck it into coin . Since the subsidiary coins were only legal tender to five dollars , and could not be redeemed for gold , this led to a glut of silver coins in commerce . This oversupply , which persisted through 1862 , led to lower mintages of silver coins in the mid @-@ 1850s , including the three @-@ cent piece . The largest mintage for the type 2 three @-@ cent silver was in 1858 , when 1 @, 603 @, 700 were struck for circulation .

== = Type 3 ( 1859 ? 1873 ) == =

Although there is no archival evidence , Breen theorized that in 1858 Snowden ordered Longacre to make changes to improve striking quality , as most type 2 pieces were weakly struck . The changes include removal of one of the outlines around the star , with smaller and more evenly spaced lettering . Breen suggested that the lettering displays the influence of Assistant Engraver Anthony C. Paquet , who likely assisted Longacre . These changes only affected the obverse ; the reverse was not altered .

The economic chaos of the civil war brought the introduction of legal tender notes , backed only by the credit of the government , and by mid @-@ 1862 , gold and silver coins had vanished from circulation in much of the nation , their place taken by such makeshifts as fractional currency and postage stamps . The three @-@ cent silver remained in circulation longer than the other silver coins , apparently because the public thought it was still made of debased silver , but by the autumn of 1862 , it too was hoarded . With little point to issuing coins that would not circulate , mintage of the three @-@ cent silver dropped from 343 @, 000 in 1862 to 21 @, 000 in 1863 , a figure that would be exceeded only once ( 22 @, 000 in 1866 ) during the rest of the series . In March 1863 , Treasury Secretary Salmon P. Chase wrote in a letter that the three @-@ cent silver had entirely vanished from circulation , and suggested that it be issued in aluminum to avoid hoarding .

Congress began the task of restoring federal coins to circulation in 1864 with a two @-@ cent piece in bronze , and by authorizing a three @-@ cent piece in copper @-@ nickel the following year . In 1866 , it authorized a five @-@ cent piece in the latter alloy , the nickel , as it has come to be known . With the three @-@ cent silver effectively replaced by base @-@ metal pieces , it did not share in

the increased mintage of silver coins that began in 1868 . The three @-@ cent silver was struck at the rate of a few thousand per year into the 1870s .

In 1870 , Treasury Secretary George Boutwell sent Congress a draft bill to replace the outdated 1837 Mint Act and the bits of legislation passed over the years regarding the mint and coinage . Even in the draft bill , no provision was made for the three @-@ cent silver , though some in Congress wished to retain the coin in anticipation of the resumption of specie payments . After much debate in Congress , President Ulysses S. Grant signed the Coinage Act of 1873 on February 12 of that year . The law abolished the two @-@ cent piece , three @-@ cent silver , half dime , and standard silver dollar ( later restored in 1878 ) . 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 " . Breen deemed the decision to eliminate the silver three @-@ cent piece and the half dime , which might have directly competed with the two copper @-@ nickel coins , a favor to industrialist Joseph Wharton , whose mines produced much of the nickel ore used in coinage . According to numismatist R. W. Julian , the three @-@ cent silver " had played its part well in the U.S. monetary system , but there was no longer any need for it " .

= = Aftermath = =

Large quantities of the three @-@ cent silver , including much of the production from 1863 and later , were held by the treasury and were melted after the coin was deauthorized . The three @-@ cent nickel went the way of its silver counterpart . After years of low mintages and decreasing popularity , it was abolished by the Act of September 26 , 1890 along with the gold dollar and three @-@ dollar piece .

The three @-@ cent silver 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 disappeared from circulation .

= = Collecting = =

According to Kevin Flynn and Winston Zack in their book on the three @-@ cent silver , " Lower interest [ in that piece ] means that it is the type of coin [ on ] which you can find great deals on pricing , even on dates in which rarity is high . " According to R. S. Yeoman 's A Guide Book of United States Coins , published in 2015 , the ones that catalog the highest are the proof issues from before 1858 , with the 1854 issue leading the way , listed at \$ 35 @,@ 000 . Not listed is the 1851 proof three @-@ cent silver , of which only one is known , which was last sold in 2012 for \$ 172 @,@ 500 , and once formed part of the Louis Eliasberg collection . Flynn and Zack theorize that this was the specimen viewed by Hodge in approving Longacre 's design , as there is no record of its return to the Philadelphia Mint .

The 1873 coin , the final issue , was struck in proof only , and is listed at between \$ 825 and \$ 2 @,@ 000 , depending on condition . Most U.S. coins of that year were struck with a " close 3 " in the date , and , following a complaint that the 3 too closely resembled an eight , an " open 3 " variety . The three @-@ cent silver exists only as a close 3 . Of coins struck for circulation , Yeoman 's highest listings are for the 1868 , at \$ 11 @,@ 000 in near pristine MS @-@ 66 condition .

Yeoman lists all three @-@ cent pieces before 1863 at \$ 27 in worn G @-@ 4 condition , except the 1851 @-@ O ( \$ 40 ) and the 1855 ( \$ 38 ) . All three @-@ cent pieces from and after 1863 are less valuable in proof than in uncirculated MS @-@ 63 condition . Much of the mintage of later dates were melted by the Mint after the end of the series .

= = Mintages and rarity = =

The mint mark appears on the reverse , to the right of the III , in the opening of the C that encloses it .

Blank ( Philadelphia Mint in Philadelphia )

O ( New Orleans Mint in New Orleans , 1851 only )