

= Gold dollar =

The gold dollar or gold one @-@ dollar piece was a coin struck as a regular issue by the United States Bureau of the Mint from 1849 to 1889 . The coin had three types over its lifetime , all designed by Mint Chief Engraver James B. Longacre . The Type 1 issue had the smallest diameter of any United States coin ever minted .

A gold dollar had been proposed several times in the 1830s and 1840s , but was not initially adopted . Congress was finally galvanized into action by the increased supply of bullion caused by the California gold rush , and in 1849 authorized a gold dollar . In its early years , silver coins were being hoarded or exported , and the gold dollar found a ready place in commerce . Silver again circulated after Congress in 1853 required that new coins of that metal be made lighter , and the gold dollar became a rarity in commerce even before federal coins vanished from circulation because of the economic disruption caused by the American Civil War .

Gold did not again circulate in most of the nation until 1879 ; once it did , the gold dollar did not regain its place . In its final years , it was struck in small numbers , causing speculation by hoarders . It was also in demand to be mounted in jewelry . The regular issue gold dollar was last struck in 1889 ; the following year , Congress ended the series .

= = Background = =

In proposing his plan for a mint and a coinage system , Secretary of the Treasury Alexander Hamilton in 1791 proposed that the one @-@ dollar denomination be struck both as a gold coin , and as one of silver , representative of the two metals which he proposed be made legal tender . Congress followed Hamilton 's recommendation only in part , authorizing a silver dollar , but no coin of that denomination in gold .

In 1831 , the first gold dollar was minted , at the private mint of Christopher Bechtler in North Carolina . Much of the gold then being produced in the United States came from the mountains of North Carolina and Georgia , and the dollars and other small gold coins issued by Bechtler circulated through that region , and were now and then seen further away . Additional one @-@ dollar pieces were struck by August Bechtler , Christopher 's son .

Soon after the Bechtlers began to strike their private issues , Secretary of the Treasury Levi Woodbury became an advocate of having the Mint of the United States ( " Mint " , when described as an institution ) strike the one @-@ dollar denomination in gold . He was opposed by the Mint Director , Robert M. Patterson . Woodbury persuaded President Andrew Jackson to have pattern coins struck . In response , Patterson had Mint Second Engraver Christian Gobrecht break off work on the new design for the silver one @-@ dollar coin and work on a pattern for the gold dollar . Gobrecht 's design featured a Liberty cap surrounded by rays on one side , and a palm branch arranged in a circle with the denomination , date , and name of the country on the other .

Consideration was given to including the gold dollar as an authorized denomination in the revisionary legislation that became the Mint Act of 1837 . The Philadelphia newspaper Public Ledger , in December 1836 , supported a gold dollar , stating that " the dollar is the smallest gold coin that would be convenient , and as it would be eminently so , neither silver nor paper should be allowed to take its place . " Nevertheless , after Mint Director Patterson appeared before a congressional committee , the provision authorizing the gold dollar was deleted from the bill .

= = Inception = =

In January 1844 , North Carolina Representative James Iver McKay , the chairman of the Committee on Ways and Means , solicited the views of Director Patterson on the gold dollar . Patterson had more of Gobrecht 's pattern dollar struck to show to committee members , again advising against a coin that if issued would be only about a half inch ( 13 mm ) in diameter . He told Treasury Secretary John C. Spencer that the only gold coins of that size in commerce , the Spanish and Colombian half @-@ escudos , were unpopular and had not been struck for more than twenty

years . This seemed to satisfy the committee as nothing more was done for the time , and when a gold dollar was proposed again in 1846 , McKay 's committee recommended against it .

Even before 1848 , record amounts of gold were flowing to American mints to be struck into coin , but the California Gold Rush vastly increased these quantities . This renewed calls for a gold dollar , as well as for a higher denomination than the eagle ( \$ 10 piece ) , then the largest gold coin . In January 1849 , McKay introduced a bill for a gold dollar , which was referred to his committee . There was much discussion in the press about the proposed coin ; one newspaper published a proposal for an annular gold dollar , that is , with a hole in the middle to increase its small diameter . McKay amended his legislation to provide for a double eagle ( \$ 20 gold coin ) and wrote to Patterson , who replied stating that the annular gold dollar would not work , and neither would another proposal to have dollar piece consisting of a gold plug in a silver coin . Nevertheless , Gobrecht 's successor as chief engraver , James B. Longacre , prepared patterns , including some with a square hole in the middle .

McKay got his fellow Democrat , New Hampshire Senator Charles Atherton , to introduce the bill to authorize the gold dollar and the double eagle in the Senate on February 1 , 1849 . Atherton was chairman of the Senate Finance Committee . McKay introduced a version into the House on February 20 ; debate began the same day . The dollar was attacked by congressmen from the Whig Party , then in the minority , on the grounds that it would be too small , would be counterfeited and in bad light might be mistakenly spent as a half dime , the coins being similar in size . McKay did not respond substantively , but stated that if no one wanted these denominations , they would not be called for at the Mint , and would not be coined . Pennsylvania Representative Joseph Ingersoll , a Whig , spoke against the bill , noting that Patterson opposed the new denominations , and that the idea had been repeatedly turned down , whenever considered . Another Whig , Massachusetts 's Charles Hudson , related that Patterson had sent a real and a counterfeit gold dollar to his committee and the majority of members had been unable to tell the difference . McKay made no answer to these claims , but others did , including New York Congressman Henry Nicoll , who assured the House that the counterfeiting allegations were greatly exaggerated . The point was , he indicated , that the double eagle and gold dollar were wanted by the public , and , in the case of the gold dollar could help money circulate in small communities where banknotes were not accepted . Connecticut Representative John A. Rockwell , a Whig , tried to table the bill , but his motion was defeated . The bill passed easily , and met only minimal opposition in the Senate , becoming law on March 3 , 1849 .

= = Preparation = =

The officers at the Philadelphia Mint , including Chief Coiner Franklin Peale , were mostly the friends and relations of Director Patterson . The outsider in their midst was Chief Engraver James B. Longacre , successor to Gobrecht ( who had died in 1844 ) . A former copper @-@ plate engraver , Longacre had been appointed through the political influence of South Carolina Senator John C. Calhoun .

When Longacre began work on the two new coins in early 1849 , he had no one to assist him . Longacre wrote the following year that he had been warned by a Mint employee that one of the officers ( undoubtedly Peale ) planned to undermine the chief engraver 's position by having the work of preparing designs and dies done outside Mint premises . Accordingly , when the gold coin bill became law , Longacre apprised Patterson that he was ready to begin work on the gold dollar . The Mint Director agreed , and after viewing a model of the head on the obverse , authorized Longacre to proceed with preparation of dies . According to Longacre ,

The engraving was unusually minute and required very close and incessant labor for several weeks . I made the original dies and hubs for making the working dies twice over , to secure their perfect adaptation to the coining machinery . I had a wish to execute this work single handed , that I might thus silently reply to those who had questioned my ability for the work . The result , I believe , was satisfactory .

= = Original design = =

The Type 1 gold dollar depicts a head of Liberty , facing left , with a coronet or tiara on her head bearing her name . Her hair is gathered in a bun ; she is surrounded by 13 stars representing the original states . The reverse features the date and denomination within a wreath , with the name of the nation near the rim .

Contemporary reviews of the Type 1 design were generally favorable . The New York Weekly Tribune on May 19 , 1849 described the new dollar as " undoubtedly the neatest , tiniest , lightest , coin in this country ... it is too delicate and beautiful to pay out for potatoes , and sauerkraut , and salt pork . Oberon might have paid Puck with it for bringing the blossom which bewitched Titania . " Willis ' Bank Note List stated that " there is no probability of them ever getting into general circulation ; they are altogether too small . " The North Carolina Standard hoped that they would be struck at the Charlotte Mint and circulated locally to eliminate the problem of small @-@ denomination bank notes from out of state . Coin dealer and numismatic author Q. David Bowers notes that the head of Liberty on the Type 1 dollar is a scaled @-@ down version of that on the double eagle , and " a nicely preserved gold dollar is beautiful to behold " .

= = Modifications = =

Mint records indicate the first gold dollars were produced on May 7 , 1849 ; Longacre 's diary notes state instead that the first were struck on May 8 . A few coins in proof condition were struck on the first day , along with about 1 @,@ 000 for circulation . There are five major varieties of the 1849 gold dollar from Philadelphia , made as Longacre continued to fine @-@ tune the design . Mintmarked dies were sent by Longacre 's Engraving Department at the Philadelphia Mint to the branch mints at Charlotte , Dahlonega ( in Georgia ) , and New Orleans ; coins struck at the branches resemble some of the types issued from Philadelphia , depending on when the dies were produced . Of the coins struck at the branch mints in 1849 , only pieces struck at Charlotte ( 1849 @-@ C ) exist in multiple varieties ; most are of what is dubbed the " Closed Wreath " variety . Approximately five of the 1849 @-@ C Open Wreath are known ; one , believed the finest surviving specimen , sold at auction for \$ 690 @,@ 000 in 2004 , remaining a record for the gold dollar series as of 2013 . One of the changes made during production was the inclusion of Longacre 's initial " L " on the truncation of Liberty 's neck , the first time a U.S. coin intended for full @-@ scale production had borne the initial of its designer . All issues beginning in 1850 bear the Closed Wreath . Beginning in 1854 , the gold dollar was also struck at the new San Francisco Mint .

The continued flow of gold from California made silver expensive in terms of gold , and U.S. silver coins began to flow out of the country for melting in 1849 , a flow that accelerated over the next several years as the price of the metal continued to rise . By 1853 , a thousand dollars in silver coin contained \$ 1 @,@ 042 worth of bullion . As silver coins vanished , the gold dollar became the only federal coin in circulation between the cent and the quarter eagle ( \$ 2 @.@ 50 piece ) . As such , it was struck in large numbers and widely circulated . According to Bowers in his book on the denomination , " the years 1850 to 1853 were the high @-@ water mark of the gold dollar , the glory years of the denomination when the little gold coins took the place of half dollars and silver dollars in everyday transactions . " This time came to an end in 1853 when Congress passed an act reducing the weight of most silver coins , allowing new issues of them to circulate .

As early as 1851 , New York Congressman William Duer alleged that that Patterson had made the gold dollar too small in diameter on purpose to provoke criticism . Patterson retired that year after 16 years in his position , and under his successor , George N. Eckert , annular gold dollar and half dollar patterns were struck . Public Ledger reported that although gold dollars would not be struck in annular form , gold half dollars would be , to help fill the need for change . With the new Pierce administration , Thomas M. Pettit took office as Mint Director on March 31 , 1853 . In April , Treasury Secretary James Guthrie wrote to Pettit that there were complaints that the gold dollar was too small , often lost or mistaken for a small silver coin , and enquiring about reports the Mint had experimented with annular dollars . Pettit replied , stating that none had been preserved , but

enclosed a silver piece of equivalent size . He noted that while there would be technical difficulties in the production of the annular dollar , these could be overcome . In a letter dated May 10 , Pettit proposed an oval @-@ shaped holed piece , or an angular @-@ shaped coin , which would lessen the production problems . Pettit died suddenly on May 31 ; Guthrie did not let the issue fall , but queried Pettit 's replacement , James Ross Snowden , concerning the issue on June 7 . As U.S. coins were required to bear some device emblematic of liberty , the secretary hoped that artists could be found who could find some such design for an annular coin .

The Act of February 21 , 1853 , that had lightened the silver coins also authorized a gold three @-@ dollar piece , which began to be produced in 1854 . To ensure that the three @-@ dollar piece was not mistaken for other gold coins , it had been made thinner and wider than it would normally be , and Longacre put a distinctive design with an Indian princess on it . Longacre adapted both the technique and the design for the gold dollar , which was made thinner , and thus wider . An adaptation of Longacre 's princess for the larger gold coin was placed on the dollar , and a similar agricultural wreath on the reverse . The idea of making the gold dollar larger in this way had been suggested in Congress as early as 1852 , and had been advocated by Pettit , but Guthrie 's desire for an annular coin stalled the matter . In May 1854 , Snowden sent Guthrie a letter stating that the difficulties with an annular coin , especially in getting the coins to eject properly from the press , were more than trivial .

Nevertheless , the Type 2 gold dollar ( as it came to be known ) proved unsatisfactory as the mints had difficulty in striking the new coin so that all details were brought out . This was due to the high relief of the design ? the three Southern branch mints especially had trouble with the piece . Many of the Type 2 pieces quickly became illegible , and were sent back to Philadelphia for melting and recoinage . On most surviving specimens , the " 85 " in the date is not fully detailed . The Type 2 gold dollar was struck only at Philadelphia in 1854 and 1855 , at the three Southern branch mints in the latter year , and at San Francisco in 1856 , after the design was designated for replacement . To correct the problems , Longacre enlarged the head of Liberty , making it a scaled @-@ down version of the three @-@ dollar piece , and moved the lettering on the obverse closer to the rim . This improved the metal flow and design sharpness so much that early numismatic scholars assumed the reverse was also altered , though in fact no change was made and the Type 2 and Type 3 reverses are identical .

= = = Design of Type 2 and 3 dollars = = =

The Type 2 and 3 gold dollars depict Liberty as a Native American princess , with a fanciful feathered headdress not resembling any worn by any Indian tribe . This image is an inexact copy of the design Longacre had made for the three @-@ dollar piece , and is one of a number of versions of Liberty Longacre created based on the Venus Accroupie or Crouching Venus , a sculpture then on display in a Philadelphia museum . For the reverse , Longacre adapted the " agricultural wreath " he had created for the reverse of the three @-@ dollar piece , composed of cotton , corn , tobacco , and wheat , blending the produce of North and South . This wreath would appear , later in the 1850s , on the Flying Eagle cent .

Art historian Cornelius Vermeule deprecated the Indian princess design used by Longacre for the obverses of the Types 2 and 3 gold dollar , and for the three @-@ dollar piece , " the ' princess ' of the gold coins is a banknote engraver 's elegant version of folk art of the 1850s . The plumes or feathers are more like the crest of the Prince of Wales than anything that saw the Western frontiers , save perhaps on a music hall beauty . "

= = War years = =

The gold dollar continued to be produced in the late 1850s , though mintages declined from the figures of two million or more each year between 1850 and 1854 . Only about 51 @, @ 000 gold dollars were produced in 1860 , with over two @-@ thirds of that figure at Philadelphia , just under a third at San Francisco , and 1 @, @ 566 at Dahlonega . Roughly a hundred are known of the last ,

creating one of the great rarities from Dahlonega in the series .

The other candidate for the rarest from that mint is the 1861 @-@ D , with an estimated mintage of 1 @,@ 000 and perhaps 45 to 60 known . Two pairs of dies were shipped from Philadelphia to Dahlonega on December 10 , 1860 ; they arrived on January 7 , 1861 , two weeks before Georgia voted to secede from the Union , as the American Civil War began . Under orders from Governor Joseph E. Brown , state militia secured the mint , and at some point , small quantities of dollars and half eagles were produced . Records of how many coins were struck and when have not survived . Since dies crack in time , and all the mints were supplied with them from Philadelphia , coining could not last , and in May 1861 , coins and supplies remaining at Dahlonega were turned over to the treasury of the Confederate States of America , which Georgia had by then joined . Gold coins with a face value of \$ 6 were put aside for assay . Normally , they would have been sent to Philadelphia to await the following year 's meeting of the United States Assay Commission , when they would be available for testing . Instead , these were sent to the initial Confederate capital of Montgomery , Alabama , though what was done with them there , and their ultimate fate , are unknown . The rarity of the 1861 @-@ D dollar , and the association with the Confederacy , make it especially prized .

Dahlonega , like the other two branch mints in the South , closed its doors after the 1861 strikings . It and the Charlotte facility never reopened ; the New Orleans Mint again struck coins from 1879 to 1909 , but did not strike gold dollars again . After 1861 , the only issuance of gold dollars outside Philadelphia was at San Francisco , in 1870 .

The outbreak of the Civil War shook public confidence in the Union , and citizens began hoarding specie , gold and silver coins . In late December 1861 , banks and then the federal Treasury stopped paying out gold at face value . By mid @-@ 1862 , all federal coins , even the base metal cent , had vanished from commerce in much of the country . The exception was the Far West , where for the most part , only gold and silver were acceptable currencies , and paper money traded at a discount . In the rest of the nation , gold and silver coins could be purchased from banks , exchange agents , and from the Treasury for a premium in the new greenbacks the government began to issue to fill the gap in commerce and finance the war .

= = Final years , abolition , and collecting = =

Since gold did not circulate in the United States ( except on the West Coast ) in the postwar period , much of the production of coins of that metal in the United States was double eagles for export . Accordingly , although 1 @,@ 361 @,@ 355 gold dollars were struck in 1862 ? the last time production would exceed a million ? the mintage fell to 6 @,@ 200 in 1863 and remained low for the rest of the coin 's existence , excepting 1873 and 1874 . The Mint felt it improper to suspend coinage of a coin authorized by Congress , and issued proof coins ( generally a few dozen to the tiny numismatic community ) from specially @-@ polished dies , also producing enough circulation strikes so that the proof coins would not be unduly rare . In 1873 and 1874 , old and worn gold dollars held by the government were melted and recoinced , generating large mintages of that denomination . This was done in anticipation of the resumption of specie payments , which did not occur until the end of 1878 . Once specie again circulated at face value , the gold dollar found no place in commerce amid large quantities of silver coinage , either released from hoarding or newly struck by the Mint . The government expected that the resumption of specie payments would cause the dollar and other small gold coins to circulate again , but the public , allowed to redeem paper currency , continued to use it as more convenient than coins .

In the 1870s and 1880s , public interest grew in the low @-@ mintage gold dollar . Collecting coins was becoming more popular , and a number of numismatists put aside some gold dollars and hoped for increases in value . The Mint most likely channeled its production through some favored Philadelphia dealers , though proof coins could be purchased for \$ 1 @.@ 25 at the cashier 's window at the Philadelphia facility . Banks charged a premium for circulation strikes . They were popular in the jewelry trade , mounted into various items . The coins were often exported to China or Japan , where such jewelry was made . The dollars were often damaged in the process ; the Mint refused to sell into this trade and did its best to hinder it . Nevertheless , Mint officials concluded that

jewelers were successful at getting the majority of each issue . Proof mintages exceeded 1 @, @ 000 by 1884 , and remained above that mark for the remainder of the series , numbers likely inflated by agents of jewelers , willing to pay the Mint 's premium of \$ .25 per coin . Another use for the gold dollar was as a holiday gift ; after its abolition the quarter eagle became a popular present .

James Pollock , in his final report as Mint Director in 1873 , advocated limiting striking of gold dollars to depositors who specifically requested it . " The gold dollar is not a convenient coin , on account of its small size , and it suffers more proportionately from abrasion than larger coins . " His successors called for its abolition , with James P. Kimball , before he left office in 1889 , writing to Congress that except as jewelry , " little practical use has been found for this coin " . Later that year , the new director , Edward O. Leech , issued a report stating that the gold dollar " is too small for circulation , and ... [ is ] used almost exclusively for the purposes of ornament . The last year in which the gold dollar was struck was 1889 . Congress abolished the gold dollar , along with the three @-@ cent nickel and three @-@ dollar piece , by the Act of September 26 , 1890 .

A total of 19 @, @ 499 @, @ 337 gold dollars were coined , of which 18 @, @ 223 @, @ 438 were struck at Philadelphia , 1 @, @ 004 @, @ 000 at New Orleans , 109 @, @ 138 at Charlotte , 90 @, @ 232 at San Francisco and 72 @, @ 529 at Dahlonega . According to an advertisement in the February 1899 issue of The Numismatist , gold dollars brought \$ 1 @. @ 80 each , still in demand as a birthday present and for jewelry . That journal in 1905 carried news of a customer depositing 100 gold dollars into a bank ; the teller , aware of the value , credited the account with \$ 1 @. @ 60 per coin . In 1908 , a dealer offered \$ 2 each for any quantity . As coin collecting became a widespread pastime in the early 20th century , gold dollars became a popular specialty , a status they retain . The 2014 edition of R.S. Yeoman 's A Guide Book of United States Coins rates the least expensive gold dollar in very fine condition ( VF @-@ 20 ) at \$ 300 , a value given for each of the Type 1 Philadelphia issues from 1849 to 1853 . Those seeking one of each type will find the most expensive to be a specimen of the Type 2 , with the 1854 and 1855 estimated at \$ 350 in that condition ; the other two types have dates valued at \$ 300 in that grade .

= = Commemorative gold dollars = =

The gold dollar had a brief resurrection during the period of Early United States commemorative coins . Between 1903 and 1922 nine different issues were produced , with a total mintage of 99 @, @ 799 . These were minted for various public events , did not circulate , and none used Longacre 's design .