



## COINS

A coin is generally a piece of hard material, usually metal, most often found in the shape of a disc. Paper banknotes and coins make up the cash portions of all modern money systems. Most often, coins are used for the lower-value units of money systems, and paper notes/bills are used for the higher values.

Metal coins have served as money since the 7<sup>th</sup> century BCE. The first coins were made of electrum, a naturally existing alloy of gold and silver. Since then, coins have been made from precious metals like gold and silver, and alloys of several base metals. The market exchange of a coin derives both from the value of its metallic composition, i.e. the amount of gold, silver, or copper in the coin; or from its historic value, the rarity of its existence or the story that it tells.

A coin contains two sides, the *obverse*, and the *reverse*. The side containing the image of the monarch, the portrait of a noted national authority, or the national emblem is usually the obverse side. We refer to this side as "Heads." The obverse also usually bears the date of minting and sometimes the minting mark. The other side of the coin is called the reverse. We call this side "Tails." It carries the coin's denomination. These general rules apply to coins minted in the United States. Each country or economic unit mints its own coins and follows its own rules. The elements on the obverse and reverse sides of coins from other countries will often be different from those in the US.

Coins have many purposes. While we think of them first as money, coins have also served to remember special achievements, relationships or deeds. An example is the inaugural dollar, which is struck to commemorate the inauguration of each President of the United States. These coins are not intended for circulation. We refer to these kinds of coins as medallions. In other instances, coins have been minted for purely investment purposes. These often contain high amounts of gold or silver. We call these bullion coins. Every civilization since the 7<sup>th</sup> century BCE has used coins as symbols of power, tokens of wealth, tools of communication and trade, and emblems of achievement.

Coins are the spokesmen of history. They can reveal to us levels of technology, the complexity of economics and the extent of trade, the availability of physical resources, and the persons and values a civilization holds dear. They provide real life portraits of historical personalities. They often reveal insights into daily life at the time. They often provide a primary source of information about people and places for which we have no other direct evidence. They offer us a window into the past and a lens through which we can more clearly see it.