



We meet at the El Segundo Library on Mariposa Avenue, West of Sepulveda, South of LAX. Next meeting: Thursday, December 11, 7 PM

The Greenback - 1860 to 1880

The United States of America

In spite of a constitutional bar to un-backed paper money which existed at the time Abraham Lincoln was forced, in 1862, to issue the first batch of what was eventually \$450,000,000 of "greenbacks" needed to finance the North's efforts during the civil war.

The greenback was a credit note. Unlike America's extant currency it conferred no right of redemption into gold. What it did do was offer a promise that at some unspecified future date the issuer - Lincoln's government - would honor them with conversion back into a truly gold convertible currency. Clearly this was an unfunded promise based on the outcome of the war, a fact which was not lost on the population.

When soldiers sent their greenbacks home they were inferior to the sounder notes backed by gold, and a price differential arose according to which type of money was being used. As fears of a long and costly war peaked, the credit of Lincoln's government diminished until the differential reached 3:1, and even that flattered the greenback because there were doubts about the gold backed currency itself, whose redemption rights had been suspended to prevent its owners bleeding the treasury dry as they hedged the military outcome with metal.

But - and here is a rarity - the greenback was redeemed, some fifteen years later. This simple fact disproves the popular belief that 'all paper currency systems eventually end in disaster'. On the contrary, this particular one was something of a success - especially for those who bought their government's integrity at a deep discount.



(Continued on page 2)

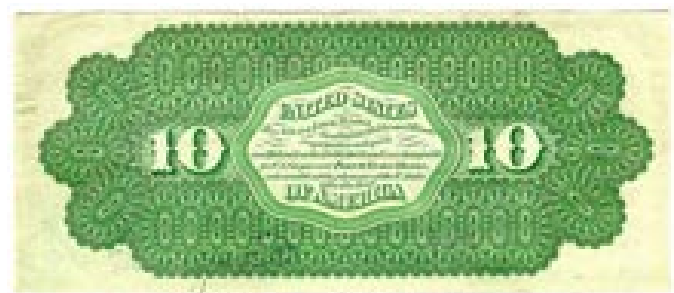
The Greenback - 1860 to 1880

(Continued from page 1)

We could conclude that the greenback was a story to re-assert faith in paper money systems, but it would be simplistic. A significant factor in the redemption was corruption. At the time there was no such thing as insider dealing and for those who knew that a redemption of doubtful paper was likely the only respectable course of action was to buy some. In fact one of the constitutional reasons for sound money in the first place was to prevent a conflict arising where those with privileged knowledge could benefit privately. It is beyond doubt that by the time of redemption a substantial haul of deeply discounted paper had found its way to officials and their private and commercial associates. Their money was made at the collective expense of others who had held the paper while it was sinking.

"The greenbacks ceased to be legal tender after a Supreme Court ruling struck them down as unconstitutional money. Who was the man who led the Supreme Court to strike down the very financing tool of the North's victory? It was the same man who ushered in its birth. For you see by 1870 the Chief Justice of the Supreme Court was none other than former Secretary of the Treasury, Salmon P. Chase."

In the end the greenback's successful redemption was a mixed blessing. This experience of state borrowing under duress was an important driver in encouraging the next political generation to embark, in the 1930s, on the deficit financing which is the cause of so much private prosperity and public debt today. In that sense maybe the jury on the greenback case is still out.



JvB

The Tennessee Quarter – Thematic Trio



The Tennessee Quarter was the 16th coin in the 50 State Quarter Series of the US Mint. This is rather a different coin than those of all the preceding states. It doesn't directly reference a major event in history or a significant natural wonder or architectural achievement.

On its face (actually, its reverse) it's all about music – the music of Tennessee. The design includes three musical instruments: a fiddle (violin if you're a Yankee), a guitar, and a trumpet. There's an intentional association of each of these with one of the three regions of the state, and the musical and historical roots of each.

Fiddle

The fiddle refers to the Appalachian beginnings of East Tennessee, the first part of Tennessee to be reached by westward moving American colonials from Virginia and the Carolinas. Solo fiddle players sounded the early strains of folk, bluegrass, and mountain music so familiar to this region.

Guitar

Moving further west into Middle Tennessee the mountains of the east give way to rolling countryside well matched to the needs of permanent settlement and farming. This countryside gave us country and western music, whose plaintive laments and easy going ballads are played on guitars like the one on the Tennessee State Quarter.

Trumpet

The blues tradition in music has deep roots in the city of Memphis in West Tennessee. Trumpet playing bluesmen playing tunes grounded in an African-American musical idiom flourished along the Mississippi River. The fusion of blues, western swing, and boogie-woogie engendered the first stirrings of rock and roll and later, a hybrid sound known as "rockabilly".

US Gold Dollars

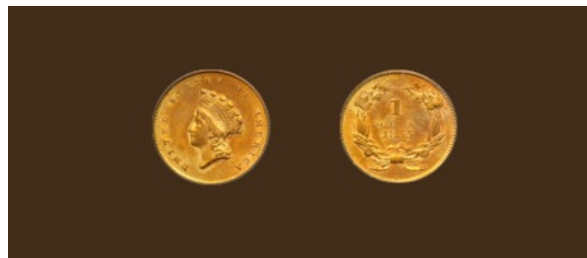
A Full Day's Pay Sized Smaller than a Dime

US gold dollars, the smallest of United States gold coins (actually of all US coins) were first issued in 1849 - the same year as the twenty dollar gold piece, the largest of the US gold series.

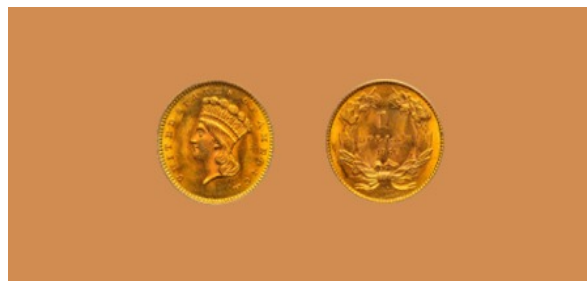


TYPE I GOLD DOLLAR [1849 – 1854]. Designed by James B. Longacre. At a mere 13 millimeters in diameter, this is the smallest coin ever minted by the United States (about two-thirds the size of a dime.) The Liberty head design of the obverse side is similar to the design of the much larger twenty dollar gold coin, designed by Longacre and also introduced in 1849. Gold production had jumped off the page with the California Gold Rush. Coins were scarce in the gold fields. Many of the privately minted gold coins in California were of unreliable weight and purity.

But the gold dollar coins were easy to lose, owing to their diminutive size. Loss of one of these tiny gold pieces was a serious matter - the same as losing a full days pay!



TYPE II GOLD DOLLAR [1854 – 1856]. To make the gold dollar more convenient, its size was increased from 13 millimeters to 15 millimeters. To compensate for the larger diameter, the coin was made thinner. Weight and purity remained the same as for the Type I coin. The design changed from a Liberty head to an Indian head. The Type II coin is often weakly struck.



TYPE III GOLD DOLLAR [1856 – 1889]. This coin is identical to the Type II in size and weight. The Indian head device was made considerably larger. Striking quality greatly improved. In fact, many of the business strikes (coins made for normal circulation) are mistakenly identified as proofs (coins made for collectors and presentations.)

Still, the coin was regarded by the public as inconveniently small. From the mid 1870s through 1889 the gold dollar was made in reduced quantities, often less than 10,000 pieces a year. Even so, it reportedly circulated in the western parts of the US until the nation went off the gold standard in the 1930s.

Club News From November

The November meeting was called to order at 7:08 PM with 16 members and 3 guests present. Steve D. led the Pledge of Allegiance. The first name for the membership drawing was Bob D. who was not in attendance. Then second name drawn was Eric A. who took his two dollars in tickets. The minutes for October and the Treasurers report were approved. The guests were:

Velma von Bloeker-(Jack vB's wife). Attended to support her husband.

Carol Ann Craft-She has attended in the past and was instrumental in getting us our regular meeting room this month. (She works for the El Segundo Library.)

Bobbie ???- Saw the meeting notice in the Daily Breeze. She inherited a bunch of coins and would like to sell them. Steve D. offered to meet with her to see what she has and possibly make her an offer to purchase some of the coins.

ANNOUNCEMENTS

Jack vB. told us that he contacted John Forrey (our vice-president) via telephone during the month several times to see how he was doing after having his heart blockage and subsequent triple bypass operation. The recovery seems to be slower than anticipated. John was running the show at a Gold Prospecting store in Santa Ana for an absentee owner for many years prior to his recent medical problems. The owner stepped in to run the business while John was recovering and because he found out it was much more difficult than he thought. So he decided to sell the business, which he did. That left John out of a job which further complicates John's troubles. Not a happy state of affairs, but we wish John all the best.

Steve D. mentioned that John Forrey was the keeper of the coin-o (bingo) paraphernalia. Garn A. offered to contact John F. to obtain the materials and bring them to the December meeting.

Steve D. brought up the nominations for club officers and there was a discussion about the duties of each office. When the nominations for next years officers came up, it seems we will have basically the same set with the exception of running Richard Navarro for Vice-President. Later on in the meeting someone nominated Garn Anderson to run against Steve Demmer for President. (Steve D. has recently joined several choir groups and is running for union representative at his workplace. Which means he really would prefer not to be President next year.) Jack vB will print up the ballots and bring them to the December meeting.

Garn A. talked about our Christmas wreath for the December meeting and offered to purchase one from Home Depot. He will bring it to the December meeting.

SHOW AND TELL

Jack vB.—Brought in the current Daily Breeze meeting notice and an intaglio from the 1972 ANA annual meeting. Each year the Department of the Treasury creates a intaglio for those meetings showing obverse or reverses of various currency notes that were issued in past years. This one showed the obverse of the 1896 \$2 silver certificate.

Eric A.—Seven ancient Roman coins. One of the coins was given to him when he was in the 5th grade. He cleaned the coin and found that the details came out quite beautifully.

Steve D.—Plastic baggies with silver necklaces. He has been purchasing them and offers his wife first choice and then either re-sells them or saves them for future melting.

November Club News-Continued

SHOW AND TELL (continued)

George S.—Four fantasy coins, some of which were magnetic. Brought in a listing from “Craigslis” (an online auction site) that spoke about “whizzing” (a coin cleaning process) and suggested that the journal include an article about various forms of coin cleaning. (see January issue)

Steve R.—Brought in a book about five POWs that survived a sinking POW ship during WWII. Also 10 coins from Turkey and a small suitcase that was originally designed for 35mm slides, but that would suffice nicely for 2X2 coin holders.

George G.—Used his executive discretion to increase the club’s treasury by ordering a new set of our club’s 50th anniversary medals with the corrected obverse design. He showed us the new set of four finishes along with the advertisement that appeared in “Numismatic News”. Steve D. whipped out his latest “Coin World” to find our announcement/advertisement there. The club is selling the medals for \$5 plus postage. The two new finishes are copper and silver satin.

BREAK TIME

Jack vB.—Brought the goodies—A shrimp cocktail platter, two kinds of cookies, chips & dips, homemade banana bread, small baked “char siu bow” (Chinese dim sum that amounts to flavored pork inside a bun.) along with a small microwave to warm them up and sodas to wash it all down.

COIN AUCTION

We had 11 lots that were auctioned off from four groups. Many thanks to Clint McG. for participating. He bought most of them.

COIN RAFFLE

- | | |
|---|-----------------------------------|
| 1.) 1951-D—Lincoln 1c-Geo. G. | 6.) 1949-S—Roosevelt 10c-Jack dB. |
| 2.) 1957-D—Lincoln 1c-Rich. N. | 7.) 1944-P—Washington 25c-Rich N. |
| 3.) 1903-P—Liberty 5c-Clint McG. | 8.) 1908-O—Barber 25c-Bobbie ?. |
| 4.) 1942-P—Jefferson 5c-Rich N. | 9.) 1974-S—Ike 1\$-Eric A. |
| 5.) 1907-P—Barber 10c-Rich N. | 10.) 1922-S—Peace 1\$-Jack dB. |
| 11.) CCCC 50th Medal-Jack dB
(donated by Jack vB.) | |

Meeting adjourned at 8:38 PM.



President's Message
DECEMBER 2008

I picked our cat up at the vet today, I was thinking how nice it would be for us to have free medical. The animals prefer not to go to the doctor, (like some of us!), but it helps us all live longer. So far, the coin market still has a pulse, with many people looking for type coins to finish their collections. It seems they are just cutting back in the amount they buy. For instance, if they were going for several AU coins for their set, they might just settle for one in a better grade but still spend less overall. In these economic times, people are seeing more value in the coin market than in stocks or savings, so there is still traffic at the shows.

Can you believe it, Holiday time is upon us again? I hope everyone had a good Thanksgiving, and didn't eat too much! We felt like we were cooking forever, and cleaning twice as long. We hosted the whole family (9 people), and all the work is worth the effort when everybody enjoys the food. We would miss them if they DIDN'T show up! That means Christmas is going to be in Torrance, so we'll get a break. When we do a turkey, we cook the stuffing separately so it doesn't take as long to cook. I wonder how a turkey would cook stuffed with coins.... For Christmas, one of our nephews wants a Turducken, a hen inside a duck inside a turkey. It's going to be good, it's boneless, but you won't be getting that for 39 cents a pound, or buy one get one free.

Don't forget, the meeting this week is our Holiday Giveaway! Thanks to Garn for buying the wreath, we'll fill it with coins that we bring for a lucky winner in our blackout game. If possible, let's put silver coins on it, except for the pennies and most of the nickels, of course 1942 to 1945 nickels will be accepted. We went over the game at the last meeting, but just so it's easy to remember, here's how it works. We sell bingo cards for the games, price will be determined on Thursday; you can get as many cards as you want. The first few games are standard bingo games, and the final game is a blackout game, (you have to fill every space on the card), and that one is for the wreath. It's always a fun meeting; we have our elections that night also. January we will have our installation dinner at a place we will determine on Thursday, the February we are back at the library. I got a call from John Forrey today; he is out of the hospital, and going out of town for a few days, but plans to see us on Thursday. After all he has been through; our coin-o night should make him feel better, especially if he wins.

I'm getting ready for the chorus show this weekend, (Dec 6, 7), so it's been a week of rehearsals and singing. I always have blast singing, but it's nice to have a rest after pushing for a couple months. Looks like we'll have a fun meeting--see you all on Thursday!

Till then, keep checking your change!

Steve

CCCC 50th Medal
Coin World, 11/24/2008

The Culver City Coin Club, a California organization, has issued a medal in four finishes to celebrate its 50th anniversary.

Each medal is made of brass, and plated in antique brass, antique copper, antique silver or brilliant gold.

The medal measures 1.5 inches in diameter.

The obverse shows the club logo with a large 50 superimposed over the eagle from the Liberty Seated silver dollar (1840-1873) with CULVER CITY COIN CLUB curved along the edge of the top half.

Under the club name and over the eagle is a curved banner with the caption FOUNDED 1958.

On the bottom is the year of issue, 2008.

The reverse design was selected from entries members submitted.

The medal's reverse show wheat heads as were featured on the Lincoln cent in 1958, the year of the club's founding.

(continued in column 3)

REFRESHMENTS

December—Steve Demmer
February__????

COIN SHOWS

Dec 19-21 Glendale
Glendale Coin, Currency, Jewelry & Stamp Show. Glendale Civic Auditorium, 1401 N. Verdugo Rd. Hrs: Fri. 11AM-6PM, Sat. 10AM-6PM, Sun. 10AM-5PM. ADM. Free parking

Mar 6-8 San Diego
San Diego Coin, Currency, Jewelry & Stamp Show. Handlery Hotel & Resort, 950 Hotel Circle N. Hrs: Fri. 11AM-6PM, Sat. 10AM-6PM, Sun. 10AM-5PM. ADM

CCCC 50th Medal
(continued from column 1)

Curved along the edge of the top half is the club motto, THE POWER OF COINS.

Below the motto and between the wheat heads are the years 1958 and 2008. Below the years is the club name, CULVER CITY COIN CLUB. Between the wheat head shafts near the bottom is the number, 50, and beneath that along the edge are the club initials C.C.C.C.

Individual medals may be ordered at a cost of \$7 each. A set of four medals (one of each finish) may be ordered for a price of \$25. Shipping is included in the prices of both ordering options.

To order, send a check or money order to Culver City Coin Club, Treasurer George Gill, P.O. Box 142, Manhattan Beach, CA 90267.

See the coin club's Web site, www.culvercitycoinclub.org for date and time of the club's meetings.

JvB

Any items of interest for this newsletter can be mailed or emailed to:

CCCC Journal
c/o Jack von Bloeker III
5714 Apia Drive
Cypress, CA 90630
Email: jvonb3@ca.rr.com

The Culver City Coin Club normally meets on the second Thursday of every month in the El Segundo Library on Mariposa Avenue, West of Sepulveda, South of LAX. Next meeting Thursday, December 11th @ 7 PM

Take the 105 Freeway West to the end, go about a mile or so to Main Street, turn left, the Library will be after you make a right turn on Mariposa.

We will be in the Meeting Room downstairs.



2008 OFFICERS

President
Steve Demmer

Vice President
John Forrey

Secretary/Editor
Jack von Bloeker III

Treasurer
George Gill

