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Coinfusion

Newsletter of the Lower Cape Fear

Quote

The greatest thing in this world is not so much where we are, but in what direction we are moving.” – O.W. Holmes

Forgeries Among Us

Any seasoned coin collector will tell a new one to beware “great deals.” If it sounds too good to be true, it is. Nearly every time. One can run out of money long before finding the exception to this rule. There is a sufficiently large number of counterfeits and forgeries in this hobby that entire books have been written on the subject. Any coin dealer you ask has had umpteen fakes come into his or her shop, usually carried by the [poorer] innocents who didn’t know better. Often enough, though, the carrier is in full knowledge of the deceit he or she is attempting to pass off in exchange for a bundle of bills. One can shop in Shanghai and purchase almost any coin ever minted by the US Mint, in a variety of grades, for an average price of \$7 each!

It is not a new thing – the forging and counterfeiting of coins goes back to the early Greek days. Some 16th Century fakes were so good that today, they are regarded as numismatic properties. “Contemporary counterfeits” are among the myriads of coin types regularly collected by modern numismatists. It remains, however, that nothing hurts so much as finding out that the coin you spent your hard-earned money for is not worth the metal or paper it’s made from.

I remember a fellow, who I’ll call Benny, came into shop some years back. He had with him a Capital Holder with a US Type Set of rare gold coins. Benny had been a stockbroker on Wall St. during the 1980’s, doing well and enjoying his career. A colleague who worked down the street for an investment firm sold him this set for \$58,000, and he had kept it safely for 40+ years. He looked forward to a nice addition to his retirement when he came in to see about selling the collection. Uncle Stan was in the store that day – a man who has likely forgotten more about US gold coins than most people will ever learn.

A close examination was made, and the sad truth was inescapable: the coins were all 90% gold. The alloys were correct. The sizes and weights were within tolerance. And every one of them was a forgery. After a 40-year wait, Benny’s 58-thousand-dollar investment was not worth the quarter-million dollars he had a right to expect, but about

\$7000, the value of the metal. He was out of luck on this one. His old buddy from down the street made out like a bandit, and was long gone. The old adage, "Trust, but verify" was true yet again.

It isn't just rare coins that get counterfeited, though – often enough it is the common date coins that everyone loves to collect which are most to be scrutinized. Wilmington used to have a great auctioneer who sold off many fake Morgan Dollars at an auction. He refused to take them back, and his business is gone as a result. I still see some of them from time to time. They quite fool the eye, but they all look a little too alike. And they don't pass any of the tests – simple or otherwise- as they are magnetic.

These days anyone can build a collection buying online. While there are some reputable vendors in the electronic marketplace, there is also a large herd of thieves. And even if you bought a fake on eBay, you are still faced with a hassle and a wait getting your money back. After many years of buying and selling coins, both as a collector and a dealer, my own conclusion is that I prefer to see the item I am purchasing, and to know who the seller is and what they look like, sound like, and how they are going to respond if they make a mistake. Chasing low prices is an avenue to ruin – why would anyone in their right mind sell a \$500 coin for \$75? It is perfectly OK to haggle with your coin dealer, or with another collector. It is a great idea to know what the market prices an item at before spending your money for it. Look at "Sold Listings" on eBay, or auction records at PCGS or NGC. At the end of the day, what you want is to have the comfort that, if something slipped through the cracks, the place you purchased your coin or banknote from will stand behind their product. Everyone makes mistakes, and anyone looking to build a serious collection can expect a few lessons from The Learning Curve. Your best defense against forgeries, counterfeits and pirates is educating yourself. A couple of useful titles are below, and highly recommended reading!

Numismatic Forgery, Charles M. Larson, 2004, Zyrus Press

United States Gold Counterfeit Detection Guide, Bill Fivaz, 2005, Whitman Publishing LLC

Official Guide to Coin Grading and Counterfeit Detection, Ed. Scott A. Traverse, Text by John W. Dannreuther, 1997, 2004, PCGS

Quote

"The Constitution only guarantees the American People the right to pursue happiness.
You have to catch it yourself" - Benjamin Franklin

Perusing Recent Literature

The Metal in Britain's Coins, by Graham Birch: 2020, Spink & Son Ltd

Mr. Birch leads a thoroughly entertaining review of the origins of money, beginning in 610 BC, when King Alyattes decreed that the gold-silver alloy known as electrum should be used to make coins. The metal was panned from the Pactolus River in modern-day Sardis in Turkey. Alyattes' son Croesus charged his chemists to figure out how to separate the two, and a revolution in business transactions was born. Over the next 300 years, coins replaced much of the barter system, which had become unwieldy, inefficient and served more to hinder economic growth than help it.

What an interesting thing it would be to be able to sit in on the meetings between the king and his advisors, to hear how they developed the idea of money! It was determined that money had to have certain characteristics. It had to be scarce, but not so scarce as to be impossible to acquire. It must be durable, so that it would last through time and changes of ownership. Money had to be portable, so that it could be easily carried and safely hidden away. Finally, money must be divisible, so that change could be made. The oldest coins do not resemble much the discs we associate with coins nowadays. Hemitertemorions and obols gave way to drachms, which morphed further into staters and dupondii, evolving further as the centuries passed into Talers, Dollars and Cents. A remarkable thing is how early on the modern forms of coinage were minted with schemes and themes we still use today – Kings, Generals and other “supreme” leaders' heads on the obverse along with gods, coats of arms or other nationalist/religious themes on the reverse sides.

Let me get back to Mr. Birch's book, which deals pretty exclusively with the subject of the title. There is much we owe to British ingenuity in the making of coins. The ancient ways generally involved rough chunks of metal which were heated and struck with hammers, generally by slaves, though later on by “moneyers” who were licensed by their governments to create the coin of the realm. Eventually the screw press was invented, which saw the first circular coins come into production. In 1788, Sam Boulton opened the Soho Mint in Birmingham, installing steam presses of his own patented designs to make coins. Production jumped to 25+ coins per minute, and revolutionized production.

Mr. Birch goes into some detail on how silver was extracted from lead, where all the copper in the early British coinage came from, and the constant competition between The East India Company and The Royal Mint for silver and gold. What caught my eye and led me to this read in the first place, though, is the origins of those English crowns

and half-crowns which bear the stamps of “Lima” or “Vigo.” These and other stories of wrecks and plunder made during the “Privateer Era” are explored in detail. For those wanting a deeper understanding of the origins of modern coinage and an exploration of some of history’s most storied sunken treasures, [The Metal In Britain’s Coins](#) makes for a superb read.

UPCOMING EVENTS:

More Information (contact #'s, times. etc.) can be found on the NCNA website: <https://ncna.club>

Date	Description	Address
10-11 Aug	Annual Iredell-Statesville Coin Club Annual Coin Show	Statesville Civic Center 300 South Center Street
7-8 Sept	History Museum of Carteret County Coin Show	1008 Arendell St. Morehead City, NC
14-15 Sept	Rare Coins of Raleigh Coin & Currency Show	NC State Fairgrounds, Martin Bldg. 4285 Trinity Rd. Raleigh, NC 27607
4-6 Oct	NCNA Annual Convention & Coin Show	Cabarrus Arena & Events Center 4751 Hwy 49 Concord, NC 28025
19-20 Oct	Jacksonville-Camp Lejeune Coin Club Show	Hilton Garden Inn 1016 Jacksonville Parkway Jacksonville, NC. 28546

14 August is the CCLCF Annual Picnic. Location is Long Leaf Park (formerly Hugh McCrae Park. Check the club website for additional details.

www.lcfcc.org

The next regular meeting will be at McAllister's Deli, corner of Fountain Drive and South College Rd. on Wednesday, September 11. Gathering begins about 5:30 and the meeting begins at 6:00 sharp!

Postscriptum:

Submissions for publication are welcome, so long as they are received as follows:

Emailed as a PDF file to Cottagecoins@icloud.com

Sources must be identified for relevant data, photos, etc.

I reserve the right to edit content for clarity, space, grammar and syntax.

Apologies for the lateness of this issue!