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# BICENTENNIAL COMMEMORATIVE COINAGE AND CONSTRUCTION OF NEW MINT BUILDINGS

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## HEARING

BEFORE THE

SUBCOMMITTEE ON MINTING AND COINAGE  
(AD HOC)

OF THE

COMMITTEE ON

BANKING, HOUSING AND URBAN AFFAIRS

UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

ON

S. 422, S. 1141, S. 1927, and S. 1928

TO MAKE FUNDAMENTAL ALTERATIONS IN THE NATION'S  
COINAGE TO COMMEMORATE THE BICENTENNIAL OF THE  
AMERICAN REVOLUTION

S. 1901

RELATING TO THE CONSTRUCTION OF MINT BUILDINGS

JUNE 6, 1973

Printed for the use of the  
Committee on Banking, Housing and Urban Affairs



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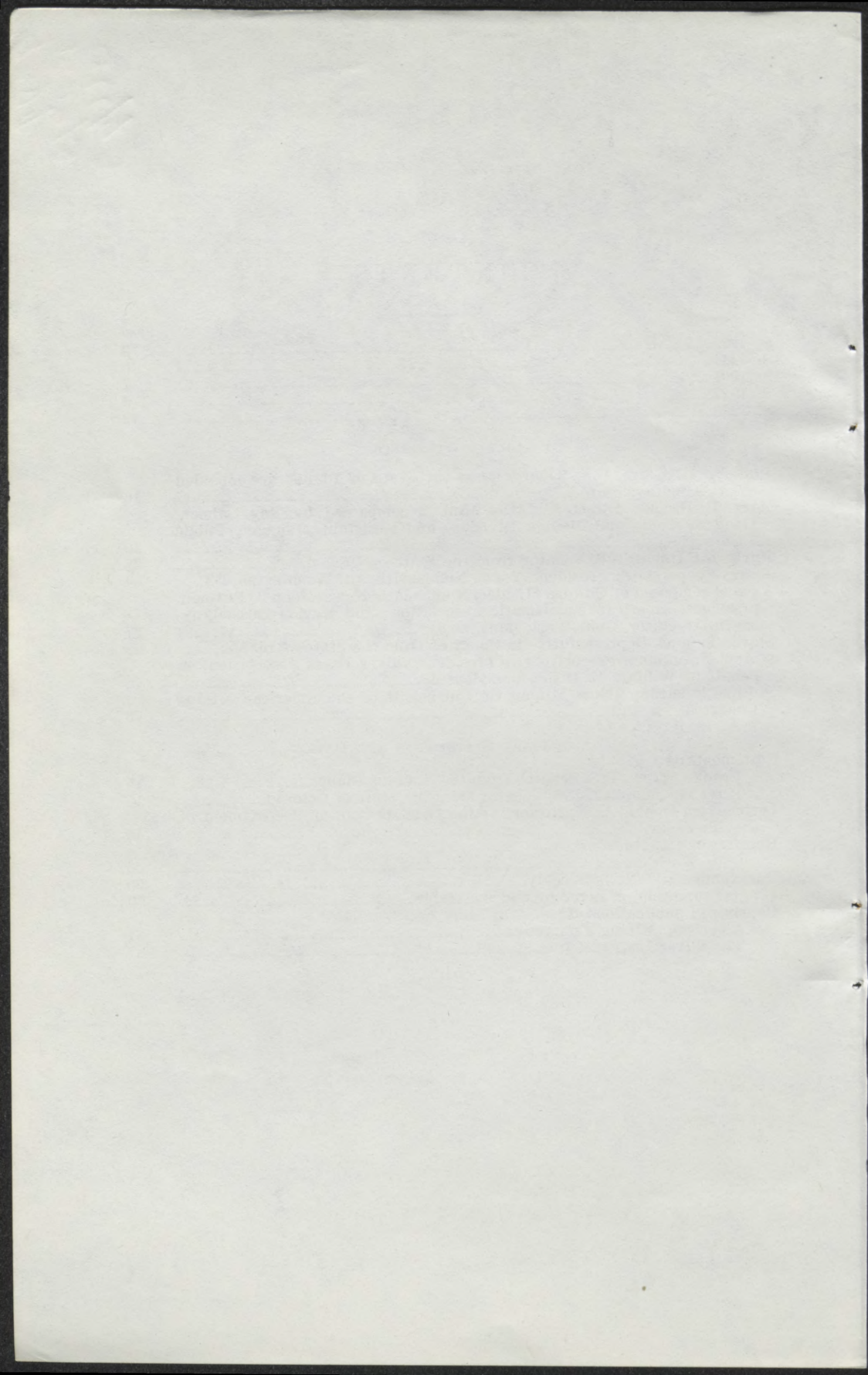
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## BICENTENNIAL COMMEMORATIVE COINAGE AND CONSTRUCTION OF NEW MINT BUILDINGS

WEDNESDAY, JUNE 6, 1973

U.S. SENATE,  
COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS,  
SUBCOMMITTEE ON MINTING AND COINAGE,  
*Washington, D.C.*

The subcommittee met in room 5302, Dirksen Senate Office Building, at 2 p.m., Senator William D. Hathaway presiding.

Present: Senators Hathaway and Taft.

Senator HATHAWAY. The specialized Subcommittee on Minting and Coinage will come to order.

The Subcommittee on Minting and Coinage is meeting today in order to hear testimony on S. 422, S. 1141, S. 1901, S. 1927, and S. 1928.

Except for S. 1901, these bills would make fundamental alterations in the Nation's coinage to commemorate the Bicentennial of the American Revolution.

Following the hearings, it is hoped the subcommittee will promptly and responsibly determine which bill or bills will most appropriately commemorate this historic event.

S. 422 authorizes the issuance of \$25 gold pieces bearing the seal or symbol of the American Revolution Bicentennial Commission.

S. 1141, which contains the administration's proposals, provides for a new coinage design and date emblematic of the Bicentennial for dollar and half-dollar coins.

S. 1927 provides for coinage of minor—1 cent and 5 cent—subsidiary—10 cent, 25 cent, and 50 cent—and unit—\$1—coins to commemorate the Bicentennial, with half dollar and dollar coins containing 40 percent silver. This bill also authorizes the Secretary of the Treasury to strike gold coins in such denomination, quantity, and content as he determines appropriate.

S. 1928 provides for commemorative dollars and half dollars, with the dollar coin, only, having silver content.

S. 1927 and S. 1928 each allow the Secretary of the Treasury to enter into contracts upon such terms and conditions as he may deem appropriate and in the public interest for the manufacture of the commemorative coins covered by the respective bills.

S. 1901 amends the act of August 20, 1963, as amended, relating to the construction of mint buildings. This bill is necessary to allow construction of a new mint building in Denver.

I trust that all the witnesses will be brief. I have asked each witness to file his statement and to limit his oral presentation to 15 minutes, in accordance with the rules of the full committee.

I trust that our colleagues from the Senate and the House will bear this in mind in making their remarks.

[The bills, statements from Senators Frank Church of Idaho, and Peter H. Dominick of Colorado; and a letter from the Treasury Department on S. 422 follow:]

93<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 422

---

IN THE SENATE OF THE UNITED STATES

JANUARY 18, 1973

Mr. HATFIELD introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

---

## A BILL

To authorize the issuance of \$25 gold pieces bearing the seal or symbol of the American Revolution Bicentennial Commission.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That (a) notwithstanding any other provision of law, the  
4       Secretary of the Treasury shall coin in such quantity as he  
5       determines to be sufficient to meet the demands of qualified  
6       purchasers as provided in subsection (b), but in no case  
7       more than sixty million, \$25 gold pieces, each of which  
8       shall contain two parts gold and one part such other metal  
9       or alloy as the Secretary determines to be appropriate. Each  
10      such gold piece shall bear the seal or symbol of the American

1 Revolution Bicentennial Commission and such other em-  
2 blems, devices, and inscriptions as the Secretary of the  
3 Treasury deems appropriate.

4 (b) The \$25 gold pieces coined pursuant to this Act  
5 shall be offered for sale to the general public, and the Sec-  
6 retary is authorized, by regulation, to limit the number of  
7 gold pieces which any one person may purchase.

8 (c) The \$25 gold pieces coined and issued pursuant to  
9 this Act shall be legal tender for all debts, public and private,  
10 public charges, taxes, duties, and dues.

93<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1141

---

## IN THE SENATE OF THE UNITED STATES

MARCH 8, 1973

Mr. SPARKMAN (for himself and Mr. TOWER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

---

## A BILL

To provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half dollars.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*

3     That the reverse side of all dollars and half dollars minted for  
4     issuance on or after July 4, 1975, and until such time as the  
5     Secretary of the Treasury may determine shall bear a design  
6     determined by the Secretary to be emblematic of the bi-  
7     centennial of the American Revolution.

8     SEC. 2. All dollars and half dollars minted for issuance  
9     between July 4, 1975 and January 1, 1977, shall bear  
10    "1776-1976" in lieu of the date of coinage; and all dollars

1 and half dollars minted thereafter until such time as the  
2 Secretary of the Treasury may determine shall bear a date  
3 emblematic of the bicentennial in addition to the date of  
4 coinage.

93<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1901

---

IN THE SENATE OF THE UNITED STATES

MAY 30, 1973

Mr. SPARKMAN (for himself, Mr. HATHAWAY, Mr. TAFT, and Mr. TOWER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

---

## A BILL

To amend the Act of August 20, 1963, as amended, relating to the construction of mint buildings.

1       *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That section 4 of the Act of August 20, 1963, as amended  
4 (31 U.S.C. 294), is further amended to read as follows:

5       “SEC. 4. There is hereby authorized to be appropriated,  
6 out of any money in the Treasury not otherwise appropri-  
7 ated, for each fiscal year which begins after June 30, 1963,  
8 and ends before July 1, 1983, such sums as may be neces-  
9 sary to carry out this Act, except that the aggregate of sums  
10 appropriated under this section shall not exceed \$95,000,-

1 000. Sums appropriated to the Department of the Treasury  
2 for the purposes of this Act may be available for transfer  
3 to the Administrator of General Services to remain available  
4 until expended.”

93<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1927

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## IN THE SENATE OF THE UNITED STATES

MAY 31, 1973

Mr. McCURE (for himself and Mr. CHURCH) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

---

## A BILL

To provide for the coinage and issuance of coins to commemorate the bicentennial of the American Revolution.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        SECTION 1. (a) Notwithstanding any other provision of  
4        law with respect to the design of coins, the Secretary of the  
5        Treasury (hereinafter referred to as the "Secretary") shall  
6        mint for issuance during calendar year 1976 minor coins and  
7        coins authorized under section 101 (a) of the Coinage Act of  
8        1965 which shall bear upon both sides suitable emblems, de-

1 vices, and inscriptions in commemoration of the bicentennial  
2 of the American Revolution as determined by the Secretary.

3 (b) (1) The Secretary shall mint and cause to be sold,  
4 during calendar year 1976, in such number as he determines  
5 to be appropriate, one-dollar and half-dollar pieces each con-  
6 taining 40 per centum silver, which shall bear the same de-  
7 signs determined by the Secretary for the purpose of sub-  
8 section (a).

9 The half dollar shall have—

10 (A) a diameter of 1.205 inches;

11 (B) a cladding of an alloy of 800 parts of silver and  
12 200 parts of copper; and

13 (C) a core of an alloy of silver and copper such that  
14 the whole coin weighs 12.296 grams and contains 4.919  
15 grams of silver and 7.378 grams of copper.

16 The dollar shall have—

17 (A) a diameter of 1.500 inches;

18 (B) a cladding of an alloy of 800 parts of silver  
19 and 200 parts of copper; and

20 (C) a core of an alloy of silver and copper such that  
21 the whole coin weighs 24.592 grams and contains 9.837  
22 grams of silver and 14.755 grams of copper.

23 (2) Notwithstanding any other provision of law, the  
24 Secretary is authorized to coin and issue or cause to be sold,

1 during calendar year 1976, special gold coins in such de-  
2 nomination, in such quantities, and containing such other  
3 metals, as he determines to be appropriate. Coins issued  
4 under this paragraph shall bear upon both sides suitable  
5 emblems, devices, and inscriptions in commemoration of the  
6 bicentennial of the American Revolution as determined by  
7 the Secretary. Notwithstanding any other provision of law,  
8 coins minted under this paragraph may be sold to and held  
9 by the public.

10 (3) Coins minted under this subsection shall be sold, in  
11 accordance with such regulations as the Secretary may  
12 prescribe, at a price sufficient to cover the cost thereof,  
13 including labor, materials, dies, use of machinery, and over-  
14 head expenses.

15 SEC. 2. In order to acquire equipment, manufacturing  
16 facilities, patents, patent rights, technical knowledge and  
17 assistance, metallic strip, and other materials necessary to  
18 produce rapidly an adequate supply to meet an unusually  
19 high demand for the coins authorized by section 1 of this  
20 Act, the Secretary may enter into contracts upon such  
21 terms and conditions as he may deem appropriate and in  
22 the public interest. The Secretary may exercise the authority  
23 conferred by this section without regard to any other provi-  
24 sion of law governing procurement of public contracts.

93<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1928

---

## IN THE SENATE OF THE UNITED STATES

MAY 31, 1973

Mr. McCLURE (for himself and Mr. CHURCH) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

---

## A BILL

To provide for the coinage and issuance of coins to commemorate the bicentennial of the American Revolution.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        SECTION 1. (a) Notwithstanding any other provision  
4        of law with respect to the design of coins, the Secretary of  
5        the Treasury (hereinafter referred to as the "Secretary")  
6        shall mint and issue at face value through Federal Reserve  
7        banks after July 4, 1975, through calendar year 1976, one  
8        hundred and fifty million or more circulating one dollar coins

1 and one hundred and fifty million or more half-dollar coins  
2 which shall bear upon both sides suitable emblems, devices,  
3 and inscriptions in commemoration of the bicentennial of the  
4 American Revolution as determined by the Secretary, and  
5 which meets the following specifications:

6 (1) The half-dollar shall have—

7 (A) a diameter of 1.205 inches;

8 (B) a cladding of an alloy of 75 per centum copper  
9 and 25 per centum nickel and shall weigh not less than  
10 30 per centum of the weight of the whole coin; and

11 (C) a core of copper such that the weight of the  
12 whole coin is 11.34 grams.

13 (2) The dollar shall have—

14 (A) a diameter of 1.500 inches;

15 (B) a cladding of an alloy of 800 parts of silver and  
16 200 parts of copper; and

17 (C) a core of an alloy of silver and copper such that  
18 the whole coin weighs 24.592 grams and contains 9.837  
19 grams of silver and 14.755 grams of copper.

20 (b) The Secretary shall mint and issue, in uncirculated  
21 and proof form, the above-specified coins in quantities and  
22 prices as he shall determine to be appropriate.

23 SEC. 2. In order to acquire equipment, manufacturing fa-  
24 cilities, patents, patent rights, technical knowledge and assist-  
25 ance, metallic strip, and other materials necessary to mint

1 coins authorized by section 1 of this Act, the Secretary may  
2 enter into contracts upon such terms and conditions as he  
3 may deem appropriate and in the public interest. The Secre-  
4 tary may exercise the authority conferred by this section  
5 without regard to any other provision of law governing pro-  
6 curement or public contracts.

## STATEMENT OF FRANK CHURCH, U.S. SENATOR FROM THE STATE OF IDAHO

Mr. Chairman, I am pleased to submit this testimony today in support of early action on legislation to authorize the minting of coins of intrinsic value to commemorate our nation's bicentennial.

As you may be aware, Mr. Chairman, I introduced during the 92nd Congress the first legislation calling for the minting of a set of silver commemorative coins to recognize the bicentennial of the United States. This year I was pleased to join with my colleague from Idaho, Senator McClure, in introducing two bills designed to accomplish a similar goal. S. 1927 would authorize the minting of commemorative silver dollar and half dollar coins. In addition, it would authorize the minting of special gold coins of such denominations and in such quantities as the Secretary of the Treasury may deem appropriate. The price of gold coins would be set at a rate high enough to cover the cost of production and other expenses associated with creating and minting and distributing the coins. In addition, S. 1927 would require that the Secretary of the Treasury issue, during the bicentennial year of 1976, minor coins (quarters, nickels, dimes and pennies) which bear special designs commemorating the bicentennial of the American Revolution.

S. 1928 is a less ambitious bill which calls for the minting of 150 million \$1.00 coins and 150 million \$.50 coins. The half dollar would be of cupronickel. The dollar would be a silver coin. Both coins would be designed in such a way as to commemorate the 200th Anniversary of American Independence.

Mr. Chairman, I am not wedded to the approach of either of these two bills. I am, however, strongly committed to the cause of seeing to it that silver coins are minted to commemorate this nation's bicentennial.

It is appropriate, I feel, that the 200th Anniversary of our Independence be commemorated by fine silver coins which hold an intrinsic value. The minting of such coins by our government is certainly not without precedent. In 1926, two gold coins, one with a denomination of \$2.50 and the other with a face value of \$.50, were issued to commemorate the 150th anniversary of our nation's independence.

I urge that your committee give early and favorable consideration to legislation designed to assure that a coin or set of coins of intrinsic value will be minted and made available to the American public during our bicentennial.

---

 STATEMENT OF PETER H. DOMINICK, U.S. SENATOR FROM THE STATE OF COLORADO

Mr. Chairman, I would like to thank the Subcommittee for presenting me the opportunity to express my views on S. 1901, the authorization bill for mint construction. As I am sure members of the Subcommittee are aware, Denver has been a site chosen for the construction of a new mint, and when I was a member of the Commerce Committee, it was generally agreed that Denver would be receiving a new mint after Philadelphia. I think if we briefly look at the facts, we will readily recognize the need for authorization to get on with construction.

The estimates are that by 1980 coin demand will rise to 15.4 billion coins per year in this country. Only by relying on extreme measures such as three working shifts per day could the mint meet these demands under present conditions. Therefore, the need is obvious that new mint construction is a necessity.

Denver as the site of a new mint offers unmatched advantages over other possible sites. In conjunction with the mint in Philadelphia it is excellent for coin distribution nationwide, providing good shipping facilities and a good labor supply.

Of course, another big advantage to Denver is the fact that a mint is already there. There will be no significant loss of production in relocating as well as savings in money and experienced personnel available for the new operation.

Presently the Denver Mint which is now 69 years old faces an impossible space problem with no adjoining land available for expansion. With a new mint, however, all denominations of U.S. coins will be printed in Denver at an initial capacity of 10.5 billion coins per year. Future expansion will be a built-in feature. Construction of the new mint has already been approved, and on May 24, 1973 the Honorable Mary Brooks, Director of the Mint, was involved in the signing of the conveyance agreement with the City of Denver.

The new mint site was chosen after long and careful investigation by the General Services Administration and the Department of the Treasury. The new site is adequate from an engineering standpoint, would aid the City in redeveloping the area, and is centrally located.

Mr. Chairman and members of the Subcommittee, much of the work necessary for building the new Denver Mint has been finished. Now is the time for further authorizations for construction so that we can meet our continuing need for coins. I urge your favorable consideration and again thank you.

---

THE GENERAL COUNSEL OF THE TREASURY,  
Washington, D.C., May 10, 1973.

Senator JOHN SPARKMAN,  
*Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate,  
Washington, D.C.*

DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on S. 422, "To authorize the issuance of \$25 gold pieces bearing the seal or symbol of the American Revolution Bicentennial Commission."

The proposed legislation would direct the Secretary of the Treasury to coin not more than 60 million \$25 gold pieces containing two parts gold and one part of other metal or alloy as determined by the Secretary, and bearing the symbol of the American Revolution Bicentennial Commission. These coins would be offered for sale to the general public and would be legal tender for all debts, public and private, public charges, taxes, duties, and dues.

The proposed legislation is contrary to the United States' long-standing policy against the minting of gold coins. This policy, which was set down by Congress in the Gold Reserve Act of 1934, is based on the recognition that the use of the Nation's gold reserves through the issuance of gold coins to the public cannot be justified on any economic or monetary grounds.

More importantly, the minting of U.S. gold coins having legal tender status would re-emphasize the role of gold in the monetary system. This is completely contrary to the policy of the United States which strives to reduce the role and importance of gold in the international monetary system. Consequently, enactment of the bill would have a highly detrimental impact on our efforts in the current international negotiations where one of our objectives is to diminish the importance of gold in the new international monetary system which we hope will soon emerge.

For these reasons, the Department strongly opposes enactment of S. 422.

The Department has been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this report to your Committee.

Sincerely yours,

DONALD L. E. RITGER,  
*Acting General Counsel.*

Senator HATHAWAY. I know we should defer to seniority, but I understand Senator McClure is chairing another committee, and although Senator Hatfield is here, I know he won't mind allowing his junior to testify first so he can get back to his own hearing.

We don't hear any objection from Senator Hatfield, so come on up. It is nice to have you here with us.

Would you identify the person with you for the record.

**STATEMENT OF JAMES A. McCLURE, U.S. SENATOR FROM THE  
STATE OF IDAHO, ACCOMPANIED BY AL TIMOTHY, STAFF**

Senator McCLURE. Mr. Al Timothy of my staff.

Senator HATHAWAY. Fine.

Senator McCLURE. I do appreciate the courtesy of appearing today, and also the courtesy of appearing first because, as you said, I do have another responsibility to return to.

I will file my statement for the record (see p. 18).

Senator HATHAWAY. Without objection, your statement will be made a part of the record.

Senator McCLURE. You do have a long witness list, and I think you can absorb more good from a very brief statement than you would from a rather lengthy one, and you do have the bills which Senator Church and myself have cosponsored: S. 1927, and S. 1928, dealing with the subject of bicentennial coinage.

I guess to summarize from my statement what I think is more important is that this issue that we are talking about now is not just some other small transient issue. We are talking about the commemoration of the founding of a nation which was the turning point in the history of mankind, and if it is to be an apt commemoration, if we are going to do more than just simply more or less mark its passage by some perfunctory remarks, then we ought to indeed undertake some very distinctive and distinguished efforts to commemorate it in an appropriate manner.

The coinage of this Nation was and has been throughout the entire history of our country a mark of the kind of country that we have. I think it is particularly appropriate that we should commemorate the Bicentennial with a coinage issue which is not so restrictive as to be a perfunctory note of the Bicentennial commemoration, but a very, very appropriate and extensive reworking of the coinage system of this country. And for that reason, I have introduced S. 1927 which does call for a reissue of the coinage of all the coinage system of our country.

I suppose the major arguments against it are expense, although the mint doesn't lose money on its operations. It makes money for us when it operates. There is the expense of using either silver or gold, although certainly there is an expense regardless of what metal is used, and there is a profit regardless of what metal is used. And I think it is appropriate that the commemoration ought to be in terms that are appropriate to the occasion, and that ought to reflect the heritage of our country in the kind of quality coinage that we have used in this country.

The question of whether or not we can afford to buy silver on the market to put into coinage seems to me to either beg the issue or can be answered by saying that regardless of what we may put into the coins, we have to buy it in the market, and it has some impact upon the market, certainly.

But to me, in summary of all of my views, it is that we should make appropriate commemoration, and that seems to me to be an extensive reissue of appropriately designed coins with silver and gold content which I think is a fitting memorial to the founding of this Nation.

Senator HATHAWAY. Thank you very much, Senator. I appreciate your testimony, the gist of which is that these coins would not only be issued for the years involved, but would be a new run of coins that we would continue to use.

Senator McCLURE. It could be done on either basis, and I think that decision this committee would have to make. But I think that there will be a tremendous demand for the commemorative coins, and whether they are simply minted in limited numbers to meet that commemorative

demand, or whether they replace our entire coinage, I think they should be at least in parallel with, if they don't replace, the entire coinage system.

So there should be an entire range of commemorative coins.

Senator HATHAWAY. Thank you very much.

Senator McCLURE. Incidentally, there is some question about whether or not the mint could turn out a sufficient volume. I think Mrs. Brooks could answer questions directed to that much better than I, but I think there is the capacity to do this, a great capacity within the mint which she so effectively manages and directs, and if not to the extent that it might be necessary, to the extent she might identify, that could be contracted to outside firms.

Senator HATHAWAY. Right. Mrs. Brooks is here and will testify later. We will be sure to ask her those questions.

Senator McCLURE. Thank you very much.

[Complete statement of Senator McClure follows:]

STATEMENT OF JAMES A. McCLURE, U.S. SENATOR FROM THE STATE OF IDAHO

Mr. Chairman, few of us can claim personal responsibility for the building of the United States into one of the most important nations in the history of the world. When we celebrate the past, as we will be doing in the Bicentennial year of 1976, we will be singing the praises of others. Two hundred years isn't a particularly long time in the life of mankind; perhaps that is what makes our achievements seem so significant. Americans take pride in recalling the achievements of the two centuries during which this country moved from minor colonial status to that of leadership of the free world. There are probably as many different reasons for this pride as there are citizens. Some would cite our successful fight against various diseases. Others would note that we have managed to spread a greater abundance among more people than ever before in history. Others might add that we have at the same time spread our intellectual horizons and even our physical presence beyond the orbit of the moon. A detailed list would be impossible to even begin. But all Americans would agree on the basic reason for celebration. The founding of this country was a landmark in the history of the world. It made possible the other achievements which followed. It had extracted those principles and ideals which were best in the Western tradition and systematized them in a manner which has served as a model for countries all over the world. A turning point in the history of the world should not be memorialized by an insignificant change in design on the reverse side of two coins. Coinage is durable, beautiful and easily stored. It is simple to display at home and makes an ideal heirloom to pass from one generation to the next. Children finger the shiny metals with delight as they learn about their country's past. The intrinsic value of the coin protects the buyer against loss. The coins are easily ordered and shipped by mail. It is hard to imagine a more convenient or suitable expression of the great importance of our nation's foundation and the significance of its heritage.

Recently, the Idaho Congressional Delegation has proposed some alternatives to the legislation recommended by the Bicentennial Commission. We would like to see this subcommittee adopt our recommendations, but if they do no more than to initiate searching for a more appropriate course of action than the somewhat embarrassing program of the Commission, then they will have served their purpose.

In one bill we suggest that: (S. 1927)

One, the designs on all sides of each coin be changed for the bicentennial year. Because this will require additional coins to meet the needs of both the collector and the marketplace, we have authorized farming out part of the job to private mints. In the event the Bureau of the Mint finds it can't do the job, this bill provides an opportunity to turn the job over to private enterprise.

Second, a special series of 40% silver coins in halves and dollars is provided for. The Secretary of the Treasury would determine both quantity and cost to the public.

Third, the Secretary could also, at his discretion, issue a series of gold coins in such denomination and at such price as he deems appropriate.

The second bill (S. 1928) we proposed authorizes a half dollar and a dollar of 40% silver bearing appropriate Bicentennial designs. One hundred and fifty million are authorized for distribution at face value through the Federal Reserve Banks. There is really nothing new in this proposal—it parallels recent Congressional decisions in this field.

This legislation calls for the use of metals of intrinsic value, and I can't emphasize how important I feel this is. Throughout history, silver and gold have been metals of art. Other metals offered durability; some were merely inexpensive. But only silver and gold could combine the best of all worlds—beauty, durability, and reasonable cost. Gold and silver are a part of American history, too. At our founding coins were made of precious metals. It is only fitting that Bicentennial coins depict this heritage. The Founding Fathers, in carving a nation out of a wilderness, did so much with so little. What a shame it would be to find that Affluent America, some 200 years later, managed to do so little with so much.

I hope that in the legislation this subcommittee reports, you will at least authorize the Secretary of the Treasury to study these proposals and expand the Bicentennial coinage program beyond its present limited course.

Senator HATHAWAY. Thank you.

Our next witness is Senator Mark Hatfield.

Senator HATFIELD. Mr. Chairman, I would be very happy to defer to Mrs. Brooks, who I think also has a very difficult schedule. I started out as number 100 in seniority, and I am not at all uncomfortable in deferring.

Senator HATHAWAY. That is very kind of you.

Mrs. BROOKS. I suppose I could say you could toss a coin. [Laughter.]

Senator HATHAWAY. Mrs. Brooks, it is a real pleasure to have you with us.

Mrs. Brooks, as everyone knows, is the Director of the Mint. We have met before and talked in my office just a couple of weeks ago, and I enjoyed talking with you then, and I look forward to hearing you now.

Without objection, your full statement will be made a part of the record at this time, and you may proceed any way you wish (see p. 25).

**STATEMENT OF MRS. MARY T. BROOKS, DIRECTOR OF THE MINT,  
ACCOMPANIED BY ROY CAHOON, ASSISTANT DIRECTOR OF THE  
MINT FOR PUBLIC SERVICES**

Mrs. BROOKS. Thank you, Senator Hathaway.

Senator HATHAWAY. Is your mike on?

Mrs. BROOKS. Is it on? Is that better?

Senator HATHAWAY. I can hear you fine. I just wanted others in the room to hear you, who would probably like to hear you also.

Mrs. BROOKS. Thank you, very much, Senator Hatfield. I do have a project on in San Francisco, and I am leaving on a plane this afternoon.

Senator HATHAWAY. Would you identify the gentleman who is with you?

Mrs. BROOKS. This is Roy Cahoon, who is Assistant Director of the Mint for Public Services, et cetera.

Senator HATHAWAY. Fine.

Mrs. BROOKS. I am not going to read all of my statement, because I go into quite a bit of technical things, but I would like to read part

of it, because I think—I really labored over this, and I can read it better than I can talk it, I believe.

Senator HATHAWAY. Fine. Go right ahead.

Mrs. BROOKS. Never before in our history has the Treasury Department proposed a coinage change to honor a historical event. This is the first time in the history of our country.

Both Secretary Shultz and I believe that such an exciting and momentous occasion as our 200th birthday as a free Nation deserves the most significant coinage revision we can safely provide.

We want all of our 210 million citizens to be able to have and to hold coins with beautiful and meaningful symbols that tell of our fight to be free. We propose to change the designs on the reverses of both the dollar and the half-dollar.

The bill would authorize the Secretary of the Treasury to choose new designs most representative of that crucial period in our history and would also authorize the addition of a date to commemorate the Bicentennial—"1776-1976"—in lieu of the regular date of coinage on the dollar and half-dollar.

Since proposing these changes, I have restudied in depth the possibility of making a similar change in the quarter. The quarter is a widely circulating coin that must be readily available and as such is certainly most suitable for change.

However, the chance of a drastic tieup in commerce from a shortage of quarters must be faced. I will go into our thinking on this change later in my statement, but the change in the reverse of the quarter is one that both Secretary Shultz and I would very much like to make.

Further, in anticipation of increased public demand, the mint could commence production of the newly designed coins in 1975 for issuance by the Federal Reserve banks after July 4, 1975.

As a member of the Advisory Panel on Coins and Medals of the American Revolution Bicentennial Commission, I have participated in numerous discussions on how the mint could make an impact on the observance of our Declaration of Independence.

It has been proposed that we change the designs on all our coins to commemorate the Bicentennial. We must oppose such sweeping changes for various reasons. Primarily, of course, is to avoid a coin shortage that would cripple our daily commerce.

I will explain why our concern increases as the number of denominations considered for the design changes increases, due to the impact on our projected production capacity. Thus, I have to get into a number of technical discussions in the rest of my statement.

The mint's current equipment resources, including die and coin manufacturing facilities, would enable us to produce a maximum of 13 billion coins per year on a 5-day, three-shift basis.

Projected coin requirements, excluding any changes in coin designs, come to 10.7 billion pieces by the calendar year 1975 and 11.7 billion by 1976.

With the delivery of new coining presses in 1974 currently under contract, and the acquisition of additional blank annealing equipment projected for delivery the same year, we will increase our annual potential production capacity to 15.1 billion coins in calendar year 1975 and 1976. This assumes no change in coin design, which subsequently,

if designs are changed, will increase the demand substantially for the larger denominations.

We must recognize that in total piece count, 75 percent of our production is in cents, and these coins are the easiest to manufacture. For example, we derive a much greater die life from cent production; thus the coin presses can operate with fewer shutdowns and at a greater speed.

Also, we can strike four coins simultaneously on a press producing cents, nickels, and dimes, but we can only strike two quarters, half-dollars and dollars at a time.

We must also recognize that other production equipment such as blanking presses, blank annealing furnaces, and upset mills have a far less capacity in terms of number of dollars than for pennies.

With these equipment restrictions in mind, I would like to present the effect on the mint's production capacity resulting from changes in coin designs, based on Federal Reserve projected coin requirements for calendar years 1975 and 1976.

I am going to skip some of this technical language in here which all of our numismatic friends can study.

But if we change the design on all of our coins, it would boost coin demand for 1975 and 1976 to an astronomical 21.6 billion pieces, and 23.2 billion pieces by 1976.

Our production capacity would remain the same as stated for no changes in coin design; that is, 15 billion pieces for 1975 and 1976.

Admittedly, these are alarming projections. Nevertheless, they are realistic as viewed under present circumstances.

So, as you can readily see, changing the designs on the dollar and half-dollar would not impair 1975-76 production capabilities as would changing the designs on all coins, or even the quarter.

Since the bills to provide new designs for the dollar and half-dollar were introduced, I have been reexamining the possibilities for a new design on the quarter. As I said earlier, the quarter is a widely circulating coin and a new design would certainly emphasize the importance of our 200th anniversary of freedom.

If we change the quarter design, additional production capacity must be readily available to meet the surge in coin demand and more space must be provided for storage, as well as additional transportation from the mints to the Federal Reserve banks.

As I mentioned earlier, a number of new presses will replace old equipment at the Philadelphia Mint during the next few years. The old presses are operable, although not as efficient as our more modern presses. They could be installed at the West Point depository and some production could be shifted there from the Philadelphia Mint. This would relieve production pressure on the Philadelphia Mint.

The production and distribution of billions of coins is not only a mint problem, but our coins go to 37 Federal Reserve banks and branches nationwide and they in turn are responsible for timely distribution of them to about 14,000 commercial banks.

Distribution is further complicated by the fact that there are only six armored carrier companies currently transporting dollars, half-dollars, quarters, and dimes to the Federal Reserve banks. This service will have to be greatly expanded.

In addition, the mint and the Federal Reserve banks' current storage capacity for making timely distribution of coins for the daily commerce of the country would also have to be increased by 1975 and 1976 in order to accommodate the projected increase in coin requirements resulting from changes in the designs.

Therefore, the mint would have to fully utilize the additional storage space available for coins at its West Point facility. Consequently, production at the mints could come to a standstill if the coins could neither be transported nor safely stored.

The coin shortage of the sixties is fresh in our minds at the mint and we do not want to be faced with an unexpected crisis in 1975 or 1976. The ability to use West Point is the needed expansion we desperately need to meet an emergency.

If we moved 20 of our presses into the West Point facility, and if we started a three-shift operation, we could probably stamp an extra billion coins a year, and we do have the facility and we do have excellent space up there and lots of storage capacity.

We would like to add that the Federal Reserve estimate on the Bicentennial demand for coins is about 10 coins per person, or 2.1 billion coins that could be expected to be withheld from circulation.

In arriving at this estimate, the Federal Reserve took into account the number of silver coins that were not returned for melting after clad coins were introduced and the experience of the Canadians when the new designs honoring their centennial in 1967 were issued. Also taken into consideration was introduction of the new half-dollar and dollar coins in 1971.

The limitation of production, and transportation will necessitate a staggered release of the new Bicentennial-design coins. For example, the dollar would be released on July 5, 1975, the half-dollar on September 1, 1975, and should the quarter be changed, it would be released on January 2, 1976.

Also, in 1976, proof and uncirculated specimens of the circulating coins would be available under the mint's four special coin programs.

And, additionally, because of the historical importance of the new designs, the mint is formulating plans with the National Sculpture Society to conduct a nationwide design competition for the coin reverses to acquire the best possible designs and to more fully involve our whole artistic community in the coinage celebration of our Bicentennial.

And finally in support of S. 1141, I would like to emphasize the need for leadtime in order to produce sufficient dollars, half-dollars, and quarters for distribution to the public beginning after July 4, 1975.

In the development of newly designed coin dies, recent experience indicates that several months are required in the mechanics of developing dies of varying combinations of relief and border detail before reaching the point where suitable production dies are developed. Six months were required for this phase of development work on the Eisenhower dollar coins.

To complete this work, produce sufficient dies, and strike 60 to 100 million of the dollars, 125 to 175 million of the half-dollars, and 300 to 400 million quarters, which the Federal Reserve banks estimate they will need for the initial distribution on the dates indicated earlier,

the mint hopefully could begin its development work on the dies early in 1974.

The mint feels, therefore, that S. 1141 should be favorably considered at the earliest possible time. Otherwise, we would be very hard put to have our Bicentennial coins ready for the Bicentennial year.

And at this time I would like to mention that the mint has taken a very active part in the American Revolution Bicentennial Commission's national medals program, which was authorized by the Congress in 1971. We successfully produced and they sold over 1.5 million of their medals in 1972, the first of a series commemorating the Revolutionary period. We expect to continue producing these medals in increasing numbers in both bronze and silver as the 200th anniversary of our great country approaches in 1976.

There is also pending before your committee S. 1901, a proposal which would increase the appropriation authorization for the construction of mint buildings from \$45 million to \$95 million and extend the authorization period from July 1, 1973 to July 1, 1983.

Construction of the new mint at Denver has been approved by Congress, which in fiscal year 1972 appropriated \$1.5 million for acquisition of a mint site. For fiscal year 1973, \$2 million were appropriated for architect and engineering services.

On May 24, 1973, I participated in the signing of a conveyance agreement with the city of Denver for the new mint site on the South Platte River.

It is essential that we now obtain the authorization to proceed with this project and therefore assure that we meet the Nation's coinage requirements for the end of this decade.

Senator HATHAWAY. Thank you, very much, Mrs. Brooks. You can be assured that this subcommittee is going to act very quickly after these hearings to approve or disapprove these bills, and give you plenty of time to gear up for the new issues.

Do I understand you correctly that you are endorsing S. 1141, and you talked about the quarters: Are you saying that is something you could do but do not care to?

Mrs. BROOKS. We could do that, because the 25-year limitation—

Senator HATHAWAY. You have been working on that, also?

Mrs. BROOKS. We would be agreeable to doing that if you could add a little amendment to let us use the facilities at West Point until the Denver Mint is completed. That would give us the storage capacity to take care of the additional coinage demand, and it would be very little cost to the Government, because we already have the premises.

Senator HATHAWAY. I see. But as far as all the other coins are concerned, you are definitely opposed to that because we do not have the facilities to do it?

Mrs. BROOKS. That is right.

Senator HATHAWAY. Could any of that be marketed out to any other independent mints, such as the Franklin Mint?

Mrs. BROOKS. I would look upon that with great concern. The Department is opposed to any proposals that the coins be struck outside the mints.

Security and accountability control in private plants would be very difficult. And there is an interrelationship between our working

with the Federal Reserve banks, the whole distribution system would be thrown out of kilter. I think it would be highly inadvisable, unadvisable, whichever, to get into that sort of thing.

Senator HATHAWAY. So that, to do the dollar and the half and the quarter would exhaust our Federal capacity?

Mrs. BROOKS. It would use up all of our capacity.

Senator HATHAWAY. You would be working around the clock?

Mrs. BROOKS. Yes. Because, you see, many of these coins will be collected.

Senator HATHAWAY. Right.

Mrs. BROOKS. And if you got into the dime and the nickel, you might not be able to make telephone calls. We will be producing 1974 coins in great quantities to have a backlog to put out into the economy in case that the mint—these quarters all are distributed, they just go down into the sand like water.

It is an amazing thing what the population does when they start collecting coins. And I do not know where all the coins go. Every year we turn out 8.2-8.7 billion coins, and the next year we need a half a billion more.

Senator HATHAWAY. Is there a measurable effect of the hoarding of coins on our overall economy? I suppose it reduces demand somewhat, and it takes that much money out of circulation.

Mrs. BROOKS. It takes that much money out of circulation. The minute the coins come off the presses and are counted, it goes into the Treasury and the accounts.

Senator HATHAWAY. You are not saying it is really impossible to go ahead with what Senator McClure would like us to do and have all the coins changed? I mean, we could appropriate money for new presses.

Mrs. BROOKS. You could not possibly gear up in time. It takes 6 months to 1 year for us to obtain equipment for a mint. You know, you do not go out and buy presses for a mint like you buy tractors.

Senator HATHAWAY. Right. They have to be built to order.

Mrs. BROOKS. They have to be built to order; yes. And we do not have the facilities. I think we are very lucky we have the West Point facility that we can put presses in and that we have great security in up there, you see. You have to be very careful with the Nation's coinage, with dies, with storing the coins. There is a great deal connected with making coins besides the presses.

Senator HATHAWAY. Right. I understand.

Do you have any other comments that you would like to make with respect to the other bills that are before us?

We have some others.

Mrs. BROOKS. Coming from Idaho, I would be delighted, of course, to put more silver in the coins, but that is a decision that Congress has to make.

And if we got into another fight like we did over the Eisenhower dollar, it would be a year before we got the bill out of the committee.

So, time is really of the essence if we are going to change the coinage for the Bicentennial and have national competition as we are proposing and let every artistic person in the country submit a design if

they so wish. We do have to have at least a year's leadtime to get that done.

And the penny situation is really an astounding one. We make—how many pennies did we make this past year? Over 5 billion pennies. And we will have to make more than that next year. And you cannot get people to bring them back from home. They take them home and store them.

I have been on that campaign ever since I became Director of the mint. I may have to get the environmental to work if we break the Earth's crust with the weight of our pennies in this country.

But it would be devastating if we put a design on the penny or the nickel or the dime like that, because you would not be able to pay your taxes, you would not be able to use the telephone, and all the other things that need coins, because the minute they show up, they would be hoarded.

Senator HATHAWAY. Are you aware of Senator Hatfield's gold, of \$25 gold pieces up to \$60 million in gold pieces? Can you comment on that?

Mrs. BROOKS. I am not an expert on the gold situation. I believe Mr. Wolf has submitted a Treasury position on that.

Personally, I would love to make a gold piece, but officially I am not in a position to say.

Senator HATHAWAY. But you would be minting them, wouldn't you?

Mrs. BROOKS. Oh, yes; we could make them, yes.

Senator HATHAWAY. And that would not burden you?

Mrs. BROOKS. I do not imagine you would be making them in the volume that we are talking about the other ones.

Senator HATHAWAY. The bill authorizes \$60 million.

Mrs. BROOKS. Yes. We could do that.

Senator HATHAWAY. Fine.

Mrs. Brooks, thank you, very much, for your testimony. It is a pleasure to have you here with us.

Mrs. BROOKS. Thank you.

[Complete statement of Mrs. Brooks follows:]

STATEMENT OF MARY T. BROOKS, DIRECTOR OF THE MINT

I am extremely pleased to appear today before the Senate Ad Hoc Subcommittee on Coinage and Minting in support of S. 1141, a bill to provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half-dollars. S. 1141 incorporates proposed legislation transmitted to the President of the Senate by the Secretary of the Treasury on March 5, 1973, and referred to your Committee.

Never before in our history has the Treasury Department proposed a coinage change to honor an historical event. Both Secretary Shultz and I believe that such an exciting and momentous occasion as our 200th birthday as a free nation deserves the most significant coinage revision we can safely provide.

We want all of our 210 million citizens to be able to have and to hold coins with beautiful and meaningful symbols that tell of our fight to be free. We propose to change the designs on the reverses of both the dollar and half-dollar.

The bill would authorize the Secretary of the Treasury to choose new designs most representative of that crucial period in our history and would also authorize the addition of a date to commemorate the bicentennial—"1776-1976"—in lieu of the regular date of coinage on the dollar and half-dollar.

Since proposing these changes, I have re-studied in depth, the possibility of making a similar change in the quarter. The quarter is a widely circulating coin that must be readily available and as such is certainly most suitable for change.

However, the chance of a drastic tie-up in commerce from a shortage of quarters must be faced. I will go into our thinking on this change later in my statement, but the change in the reverse of the quarter is one that both Secretary Shultz and I would very much like to make.

Further, in anticipation of increased public demand, the Mint could commence production of the newly designed coins in 1975 for issuance by the Federal Reserve Banks after July 4, 1975.

As a member of the Advisory Panel on Coins and Medals of the American Revolution Bicentennial Commission, I have participated in numerous discussions on how the Mint could make an impact on the observance of our Declaration of Independence.

It has been proposed that we change the designs on all our coins to commemorate the bicentennial. We must oppose such sweeping changes for numerous reasons. Primarily, of course, is to avoid a coin shortage that would cripple our daily commerce.

I will explain why our concern increases as the number of denominations considered for the design changes increases, due to the impact on our projected production capacity. Thus, I have to get into a number of technical discussions in the rest of my statement.

The Mint's current equipment resources, including die and coin manufacturing facilities, would enable us to produce a maximum of 13 billion coins per year on a 5-day, three-shift basis.

Projected coin requirements, excluding any changes in coin designs, come to 10.7 billion pieces by calendar year 1975 and 11.7 billion by 1976.

With the delivery of new coining presses in 1974 currently under contract and the acquisition of additional blank annealing equipment projected for delivery the same year, which must be procured from our Fiscal Year 1974 budget, we will increase our annual potential production capacity to 15.1 billion coins in calendar years 1975 and 1976. This assumes no changes in coin design, which subsequently if designs are changed will increase the demand substantially for the larger denominations.

We must recognize that in total piece count, 75% of our production is in cents, and these coins are the easiest to manufacture. For example, we derive a much greater die life from cent production, thus the coin presses can operate with fewer shutdowns and at a greater speed. Also, we can strike 4 coins simultaneously on a press producing cents, nickels, and dimes, but we can only strike two quarters, half-dollars and dollars at a time. We must also recognize that other production equipment such as blanking presses, blank annealing furnaces, and upset mills have a far less capacity in terms of number of dollars than for pennies.

With these equipment restrictions in mind, I would like to present the effect on the Mint's production capacity resulting from changes in coin designs, based on Federal Reserve projected coin requirements for calendar years 1975 and 1976.

Adoption of the new half-dollar and dollar coin designs will increase total coin requirements to 11.1 and 12.2 billion pieces for calendar years 1975 and 1976. These increased requirements for the dollar and half-dollar will reduce the Mint's total production capacity from 15.1 to 13.9 billion pieces in 1975 and to 13.3 billion pieces in 1976, for the reasons I have indicated above.

We are seriously considering changing the design for the quarter. If we do this, estimated coin requirements increases to 11.5 billion for 1975 and jumps to 13.2 billion by 1976. At the same time, for reasons previously stated, projected production capacity is further reduced to 12.8 billion pieces in 1975 and 12.1 billion for 1976.

Changing the design on all our coins will boost coin requirements to an astronomical 21.2 billion pieces by 1975 and 23.2 billion by 1976. Production capacity, however, would remain the same as stated for no changes in coin design, that is, 15.1 billion pieces for 1975 and 1976.

Admittedly, these are alarming projections. Nevertheless, they are realistic as viewed under present circumstances.

So, as you can readily see, changing the designs on the dollar and half-dollar would not impair 1975-1976 production capabilities as would changing the designs on all coins, or even the quarter.

Since the bills to provide new designs for the dollar and half-dollar were introduced, I've been re-examining the possibilities for a new design on the quarter.

As I said earlier, the quarter is a widely circulating coin and a new design would certainly emphasize the importance of our 200th anniversary of freedom.

If we change the quarter design, additional production capacity must be readily available to meet the surge in coin demand and more space must be provided for storage, as well as additional transportation from the Mints to the Federal Reserve Banks.

As I mentioned earlier, a number of new presses will replace old equipment at the Philadelphia Mint during the next few years. The old presses are operable, although not as efficient as our more modern presses. They could be installed at the West Point Depository and some production could be shifted there from the Philadelphia Mint. This would relieve production pressure on Philadelphia.

The production and distribution of billions of coins is not only a Mint problem, but our coins go to 37 Federal Reserve Banks and Branches nationwide and they in turn are responsible for timely distribution of them to about 14 thousand commercial banks. Distribution is further complicated by the fact that there are only six armored carrier companies currently transporting subsidiary coins (dollar, half-dollar, quarter and dime) to the Federal Reserve Banks. This service will have to be greatly expanded.

In addition, the Mint and Federal Reserve banks' current storage capacity for making timely distribution of coins for the daily commerce of the country would also have to be increased by 1975 and 1976 in order to accommodate the projected increase in coin requirements resulting from changes in the designs. Therefore, the Mint would have to fully utilize the additional storage space available for coins at its West Point facility. Consequently, production at the mints could come to a standstill if the coin could neither be transported nor safely stored.

The coin shortage of the 60's is fresh in our minds at the Mint and we don't want to be faced with an unexpected crisis in 1975 or 1976. The ability to use West Point is the needed expansion we desperately need to meet an emergency.

I would also like to add that the Federal Reserve estimates that about 10 Bicentennial coins per person, or 2.1 billion coins are expected to be withheld from circulation. In arriving at this estimate, the Federal Reserve took into account the number of silver coins that were not returned for melting after clad coins were introduced and the experience of the Canadians when new designs honoring their Centennial in 1967 were issued. Also taken into consideration was introduction of the new half-dollar and dollar coins in 1971.

The limitation of production, and transportation will necessitate a staggered release of the new bicentennial design coins. For example, the dollar would be released on July 5, 1975, the half-dollar on September 1, 1975 and should the quarter be changed, it would be released on January 2, 1976.

Also, in 1976, proof and uncirculated specimens of the circulating coins would be available under the Mint's four special coin programs.

Additionally, because of the historical importance of the new designs, the Mint is formulating plans with the National Sculpture Society to conduct a nationwide design competition for the coin reverses to acquire the best possible designs and to more fully involve our artistic community in the coinage celebration of our bicentennial.

And finally in support of S. 1141, I would like to emphasize the need for lead time in order to produce sufficient dollars, half-dollars, and quarters for distribution to the public beginning after July 4, 1975. In the development of newly designed coin dies, recent experience indicates that several months are required in the mechanics of developing dies of varying combinations of relief and border detail before reaching the point where suitable production dies are developed. Six months was required for this phase of development work on the Eisenhower dollar coins.

To complete this work, produce sufficient dies, and strike 60-100 million of the dollars, 125-175 million of the half dollars, and 300-400 million quarters, which the Federal Reserve Banks estimate will need for the initial distribution on the dates indicated earlier, the Mint hopefully could begin its development work on the dies early in 1974.

The Mint feels, therefore, that S. 1141 should be favorably considered at the earliest possible time.

At this time I would like to mention that the Mint has taken a very active part in the American Revolution Bicentennial Commission's National Medals pro-

gram which was authorized by the Congress in 1971. We successfully produced and they sold over 1.5 million of their medals in 1972, the first of a series commemorating the Revolutionary period. We expect to continue producing these medals in increasing numbers in both bronze and silver as the 200th anniversary of our great country approaches in 1976.

There is also pending before your committee S. 1901, a proposal which would increase the appropriation authorization for the construction of Mint Buildings from \$45,000,000.00 to \$95,000,000.00 and extend the authorization period from July 1, 1973 to July 1, 1983.

Construction of the new Mint at Denver has been approved by Congress, which in FY 1982 appropriated \$1.5 million for acquisition of a Mint site. For FY 1973, \$2.0 million were appropriated for architect and engineering services.

On May 24, 1973, I participated in the signing of a conveyance agreement with the City of Denver for the New Mint site on the South Platte River.

It is essential that we now obtain the authorization to proceed with this project and therefore assure that we meet the nation's coinage requirements for the end of this decade.

Senator HATHAWAY. Our next witness is Senator Mark Hatfield. Senator, it's a pleasure to have you with us.

#### STATEMENT OF MARK O. HATFIELD, U.S. SENATOR FROM THE STATE OF OREGON

Senator HATFIELD. Mr. Chairman, it's a great pleasure to be here today, and I appreciate very much the courtesy of including my bill in your hearing, as it was not originally scheduled.

Senator HATHAWAY. Well, the committee is happy to accommodate you, and we'll place your statement in the record (see p. 33).

You may proceed in any way that you wish.

I understand you have some slides or something to show us.

Senator HATFIELD. Mr. Chairman, I will submit my statement for the record, and then I would like to make a few brief comments, and to share with you today some examples of gold coins which have been made available to me this afternoon by the Smithsonian, because I really feel that when one takes a look at the quality and the beauty of what we have made in the past, one can appreciate that our Bicentennial deserves the finest quality of craftsmanship and skill that we can bring to bear on making a coin.

First of all, I would like to comment on the other bills as they relate to my bill, because I think there is a very distinct interrelationship.

My good colleague and friend, Senator McClure, has offered a bill today which includes a section relating to a gold coin, but I think it ought to be very clearly pointed out that the section is merely an authorization—it gives authority to the mint should the mint decide that it is within their policy to strike a gold coin.

I think the committee ought to be fully aware of the fact that the Treasury Department has already taken a position in opposition to the striking of a gold coin, and I will submit for the record a letter from the General Counsel of the Treasury (see p. 16), so the McClure bill really does nothing as it relates to the possibility of getting the gold coin. It merely expresses an opinion, but does not mandate the striking of a coin as does my bill.

The General Counsel of the Treasury Department must have stayed up all night trying to think of something to say that would be in opposition. I say that because the only arguments that he could come

up with—and I would like to quote them—were, first, “The proposed legislation is contrary to the United States’ longstanding policy against the minting of gold coins.”

This policy, which was set down by Congress in the Gold Reserve Act of 1934, was based on the recognition that the use of the Nation’s gold reserves in the issuance of gold coins could not be justified on any economic or monetary grounds.

Well, in effect, all the counsel is doing today is citing a blue law that really is as ridiculous today as probably the day that it was written, in retrospect, and I believe that it no longer serves any purpose at all. The Congress, of course, is in complete authority to change this so-called longstanding policy, and I think the Congress has already indicated its thinking on this.

As you know—and I’m not really trying to hide one of my other motives on this bill—I believe that the Federal Government has no right to hold a monopoly on gold ownership, and that the people of this country should have that privilege to own gold, and that in the Senate and in the House this year there has already been an overwhelming expression of agreement on that particular point.

Now, the second objection this gentleman offers is that more importantly, now, mind you, get the words “more importantly,” the minting of U.S. gold coins, having legal tender status, which my bill calls for, would reemphasize the role of gold in the monetary system, completely contrary to the policy of the United States, which strives to reduce the role and importance of gold in the international monetary system.

Now, Mr. Chairman, I know of no one, except perhaps a few monetary romanticists, who really believe that we are going to go back to the gold standard by issuing a commemorative coin. There’s absolutely no foundation of truth or fact to this. I don’t advocate this.

I know of none of my cohorts who support this proposal who advocate going back to the gold standard. I think this is one of those situations in which a Federal agency often finds itself. They have come to their conclusion first, and then they go back and try to establish some sort of rationale. And I think that speaks for itself.

Now, Mrs. Brooks today was very forthright in her statement about the technicalities and the problems that she faces, even in the support of her own bill, in proposing that we put a new design on the 50-cent piece and the dollar.

She talks about the current demands upon the coin presses and how the new dies would have to be cast, and the coin presses operated at so many hours per day for so many days per week.

My bill would answer that problem, the technological problems that she faces in changing our present currency, in that I have suggested in this bill—and I’m certainly not locked into these figures—that we strike 60 million \$25 gold pieces.

Now, the 60-million figure corresponds roughly to the number of families in the United States. And I’m not locked into that figure at all. We could make that a minimum, or the committee could change it as it sees fit.

But I would like to point out that the gold coin to which I have referred in this bill would be .667 fine.

Now, these gold coins which were struck by the U.S. mint in past years were .900 fine. That means they were nine-tenths gold and one-tenth of some other metal, and most generally copper.

Now, the world price of gold today makes a .900 fine \$25 coin an unrealistic proposition, because it would either be too small or, if an adequate size, would be immediately melted back into bullion for sale.

Therefore, we have to face the economic realities of what kind of a coin we can really come up with which would be significant and would meet the difficulties of the gold market situation. In order to boost the physical size of the coin, we have to drop down from .900 fine to .667 fine, or it can go as low as .600 fine, I'm told, and still preserve the beauty of the gold sheen.

This would be a piece of coinage containing about one-eighth of an ounce of gold and having a total weight of a little less than two-tenths of an ounce.

This would be roughly the size of the old \$5 gold piece that I have as an example here.

By the way, let me present this display to the committee at this time.

Now, last year when I was considering the possibility of legislation for a gold commemorative coin, I originally had in mind a \$100 piece.

Let me back up a moment and say, before I leave the \$25 gold piece, that this .667 fine coin would have a \$15 value for its gold content on today's gold market. For a \$25 coin, we are, therefore, meeting the relationship to the gold market.

The \$100-gold piece which I originally considered was abandoned on the basis that it would be out of reach of many Americans, and it seems to me we ought to have it of such denomination that most any American could obtain one of the coins.

A \$50 gold piece might be another alternative. Such a coin, say, at .600 fine, would boost the size to between the present quarter and the half dollar, in other words, about one inch in diameter.

By the way, Mr. Chairman, my information is the mint could, upon the request of the chairman, provide you with some samples very easily. There is no problem in melting them back down again, and so consequently if the chairman wished to make such a request, the mint is in a position to make samples available.

Sixty million \$25 gold pieces would represent a total sale value of \$1.5 billion. However, it would take up only 2.5 percent of our gold stockpile, so that no one could say that we are raiding the gold stockpile, even those who have some kind of a hangup about the gold reserve.

This amount is worth \$315 million at a par value of \$42.22 per ounce, or, if we take the London market today of the value of gold, these coins would be worth \$900 million.

Now, it seems to me that for a country that is celebrating its 200th anniversary, and has moved a long way from the time when our money was not worth a continental, we should do the country justice by striking a gold coin in commemoration.

I think this argument has already been made by my colleagues who have submitted other bills. I will not dwell on the importance of

providing the country with a suitable symbol and memento of our 200th celebration.

I would like also to say that today I would like to have been able to show you a centennial coin issued by Canada. A few years ago Canada celebrated its 100 years of statehood, and issued a gold coin. But it's illegal to bring those coins into this country. It's a beautiful coin.

We have here today for your viewing examples of other nations who have issued gold coins for commemorative purposes or for regular coinage. And again I think you can see that the nations of the world, even some that we consider perhaps less advanced technologically than we, have certainly demonstrated great artistry, great skill in producing a symbol of their country which is something of true beauty.

And I would like to again recognize the fine cooperation I have had from the Smithsonian, Dr. Stefanelli, and again Margaret Gaynor, from the Smithsonian, who delivered these coins for our purposes. They have been most helpful in bringing together some evidence as to what I think is appropriate action that we should take in this Congress, and that is to establish a gold coin for our Bicentennial.

Let me show you the coins from these other countries.

I think that more or less summarizes the points that I would like to leave with the committee today. I again urge the committee, if it desires, to ask the mint for some examples.

Now, in closing, I would like to point out that when you look at this 50-cent piece and this quarter, any way you look at it, any angle, to me it leaves something to be desired, as far as a quality piece of coinage. If all we can come up with, Mr. Chairman, is a recasting of this same old sandwich money to celebrate something as important as a Bicentennial, I think it's a very sad day. We have pretty strong evidence that the Bicentennial Commission has not really gotten off the ground, and we have read articles in the leading newspapers of the country that indicate that we really don't have a distinct plan in mind yet for the proper celebration of the Bicentennial; and I have to say, and I say this without any criticism, but just as an observation, that what I've heard here today indicates that there's not much creativity or innovation offered by merely restriking something that is already of second-rate appearance, and I feel does not become the Nation of the United States.

I think when you look at coinage today of this country, you realize that it certainly does not represent the finest artistry or numismatic value, and therefore, it seems all the more important that we should do something special for the Bicentennial. In closing I would say that an advisory panel, and this is only an advisory panel, to the Bicentennial Commission, has recommended a gold coin as a proper symbol of commemoration.

Thank you very much.

Senator HATHAWAY. Thank you very much, Senator.

Now, would the coin you're advocating be this size, the size of the nickel?

Senator HATFIELD. Yes; it would be the \$5 gold piece. It would be about that size.

Senator HATHAWAY. Maybe a little larger?

Senator HATFIELD. Yes. The reason we had to go that small, Mr. Chairman, just to restate the situation, is that in order to maintain the quality appearance, we felt we wanted to go smaller rather than accept a very large denomination for the coin.

Now, if we wanted to go to the \$50 gold piece, say, in lieu of the \$25, we could go up to about an inch in diameter. That's a little bit larger than the quarter, the present quarter.

You could have a 1-inch gold piece at .600 fine, or a somewhat smaller coin at .667 fine, which is two-thirds to one-third.

And I do feel it's important not to just wash something in gold and call it a gold coin, as we have tended to reduce the quality of our present coinage. I favor reducing the size in order to maintain a quality gold appearance.

Senator HATHAWAY. Has this ever been done before in our history? At the 100th anniversary, did we issue a gold piece or a special coin, or any other anniversary?

Senator HATFIELD. I defer to the numismatists that are here today. We have struck medals for various occasions. I'm basically a commemorative medal collector myself. That is my specialty. So I would have to defer to the experts in the room.

Senator HATHAWAY. Do you think the provision in your bill to assure the proper distribution of coins, so that no one would be hoarding them, do you think as a practical matter that we can by regulation do that as you prescribe, that the Secretary of Treasury can limit the gold pieces so that any one person may purchase?

Senator HATFIELD. We can't do that effectively. I don't think we can do that effectively. We can make an attempt. That language was there to try to meet the criticism of those who have said that we would only end up providing the coin for hoarders who would then, at some future date, make a profit.

We have had distribution formulas—the Carson dollars have been under special distribution formula set up by the mint. I put that language in there to empower the Secretary to devise a method that could best guarantee a wide distribution.

I don't know that you can ever make something like that completely workable.

Senator HATHAWAY. No; I don't think so. I don't know if we've had any other experience in this regard, and I know that you're not the one to ask about this. I would rather have the Secretary of Treasury or someone else comment on this. Unfortunately, he's not going to be appearing before us. But we can have him submit a statement in that regard.

Senator HATFIELD. We could set up something as we did with certain proofs of the Eisenhower dollar, where we had the three grades, or the three qualities of the Eisenhower dollar, and we had a card, an application form which people sent in as a request. In that type of thing you can obtain a certain distribution objective. You can create in that fashion a regulation on distribution that I think will probably be as effective as any. I wouldn't attempt to tell the Secretary of the Treasury how to do it. But I know there was a wide distribution given to that Eisenhower dollar proof by that type of distribution.

Senator HATHAWAY. Well, thank you very much, Senator.

Senator Taft, do you have any questions?

Senator TAFT. No; I don't, Senator. Thank you.

Senator HATHAWAY. I think it's an excellent idea, Senator. I hope we can do something to fulfill it.

Senator HATFIELD. I would like you to take another quick look at the present coinage in comparison to these gold coins. [Discussion off the record.]

[The complete statement follows:]

STATEMENT OF MARK O. HATFIELD, U.S. SENATOR, FROM THE STATE OF OREGON

TESTIMONY ON GOLD BICENTENNIAL COIN

Mr. Chairman and Members of the Subcommittee: For the 200th anniversary of the birth of our nation, there is nothing more fitting than issuance of a commemorative coin that is gold. My bill, S. 422, directs the Secretary of the Treasury to mint up to 60 million 25-dollar gold pieces commemorating the American Revolution Bicentennial.

Senator McClure, of course, also has introduced legislation to authorize the issuance of a gold coin, but of unspecified denomination and metal content. Although I appreciate and support the efforts of my distinguished colleagues from Idaho in this matter, his bill, S. 1927, appears to give the Treasury Secretary discretion as to whether a gold coin will be minted at all. I would urge this Subcommittee to make the final determination on whether such coins will be issued, and also on denomination, size, weight, and metal content. The resources for such determinations are readily available to you at the Bureau of the Mint, as I will describe later.

I have with me today examples of gold coins of America's past. Most of us remember the Double Eagle—the 20-dollar gold piece which we stopped minting in 1933. Other examples I have here from the Smithsonian collection are . . . I am very grateful to Dr. Clain Stefanelli at the Smithsonian Institution who put this display together on very short notice.

This gives you an idea of the variety of size and design that has been our gold coinage in the past. I also have several examples of gold coins from several foreign countries. I wish I could show you one of the Canadian Centennial Coins—a stunning 20-dollar gold piece minted several years ago to commemorate the 100th anniversary of the Dominion—but the law prohibits their importation into this country.

All gold coins that have been in circulation in the United States are .900 fine ("nine hundred fine")—that is, their metal content is 9/10 gold and 1/10 some other metal, often copper. However, the world price of gold today makes a .900 fine coin an unrealistic proposition, if we want a relatively modest denomination, which I do, and if we want it to be more than a wafer. My bill proposes a coin that is .667 fine— $\frac{2}{3}$  gold—but I am told that we could go as low as .600 fine and still preserve the beauty of the gold sheen. I would envision a 25-dollar gold piece under my bill as containing about an eighth of an ounce of gold and the balance of copper, for a total weight of a little less than two-tenths of an ounce. This would be roughly comparable to the size of the 5-dollar piece I have in the display, but a little smaller. The amount of gold in the 25-dollar piece I have just described would only bring about \$15 on the London gold market today, which is one protection against their being melted down for bullion. By the way, the coins you are looking at today have a numismatic value which exceeds the value of their gold content on the world market.

Last year, when I was first considering legislation for a gold commemorative coin, I had a 100-dollar piece in mind. Obviously, such a coin would be more impressive than the one I have just described, but I eventually decided that the \$100 price would put it out of the reach of too many American families. This Subcommittee might consider a compromise at \$50. Such a coin, at, say, .600 fine in order to boost its size to the maximum while still preserving the quality of its gold appearance, would have a size between that of our quarter and half dollars—about one inch in diameter.

The Bureau of the Mint can strike examples for this Subcommittee of what is possible in sizes and weights and metal contents for an American Revolution Bicentennial gold coin. It is not at all difficult, need not take much time, and is not wasteful of gold (as these examples would be melted down and the gold reused). A request by the Chairman I am sure would get things underway. Time did not permit me to ask that such examples be made available for the hearing today. If the Subcommittee wishes, I would certainly be glad to help in outlining a request in this regard to the Director of the Mint, Mrs. Brooks.

Sixty million 25-dollar pieces represents a total sale value of \$1.5 billion. However, it would only take up about 2.5% of the U.S. gold stockpile. This amount is worth \$315 million at a par value of \$42.22 per ounce, or about \$900 million at current world market prices.

Such a Bicentennial Commemorative Coin would be a fitting tribute to 200 years of the continuing American Revolution. It would represent the strength and wealth of the most prosperous country in the world—a country that has come a long way from having a currency that was once “not worth a Continental.” We should mint a coin for the Bicentennial that will be “as good as gold.” The current patterns in the world price of gold virtually assures that buying this commemorative coin will be a good investment from the standpoint of the intrinsic value of the gold in the coin. I should add here that we can have the Treasury limit the number that may be purchased by an individual or family in order to prevent their being hoarded in large quantities for the day that the value of the gold in the coin exceeds \$25. The Secretary is authorized to do this in my bill.

In closing, I would have you all recall that the American Revolution was a shining symbol to the world of 1776. With great pride today, we should settle for no less a symbol of its 200th anniversary than a coin of gold. I believe it would be widely popular with the American people if it is of modest denomination and available to all American families. And it will increase in worth and value to its holders, as has the Revolution it commemorates.

Senator HATHAWAY. Is Congressman Symms here?

Well, our next witness will be Jeffrey Coopersmith.

#### STATEMENT OF JEFFREY COOPERSMITH, PRESIDENT, YOUNG NUMISMATISTS OF WASHINGTON, D.C.

Senator HATHAWAY. Do you have a statement?

You brought a statement with you, did you, Jeffrey?

Mr. COOPERSMITH. Yes, sir; I have. I put some copies right over there.

Senator HATHAWAY. Fine.

Jeffrey, we are glad to have you here. What is your title? You are president of the Young Numismatists of Washington?

Mr. COOPERSMITH. Yes, sir.

Senator HATHAWAY. That is Washington, D.C.?

Mr. COOPERSMITH. Yes.

Senator HATHAWAY. We will make your statement a part of the record, and you may proceed to read from it or just summarize it, whatever you want to do.

Go right ahead.

Mr. COOPERSMITH. Thank you very much for giving me the opportunity to testify in favor of S. 1141, a bill to provide a new coinage design for the Bicentennial for dollars and half dollars.

My name is Jeffrey Coopersmith and I live at 9201 Fox Meadow Lane, Potomac, Md. I am 13 years old, and have been coin collecting since I was 8.

I am founder and past president of the only junior coin club in Washington, D.C., the Washington Junior Coin Club.

I am a serious, avid coin collector and I am interested in every field of numismatics. I have also tried to promote a general interest in coins among young people.

I am here today to testify on behalf of young coin collectors all over America.

The bill, S. 1141, is a very important one because it deals with America's Bicentennial. A bicentennial happens only once in a nation's history and because of this fact, it is necessary to commemorate and celebrate this special event.

There are many ways in which we can celebrate our Bicentennial. One of the most important ways is the changing of the national coinage.

I would like to suggest to the committee and to our able Director of the Mint, Mary Brooks, the addition of a change in the reverse of the quarter dollar in honor of America's Bicentennial.

Mrs. Brooks has done so much for young people. Some of her contributions to numismatics include the mini medals, speeches to young people, her penny bags, and her books for young people. The mini medals were a revolutionary idea. These medals were the first released by the mint that were affordable by everybody at 50 cents a piece. Their historic value is limitless.

I have brought three examples here. One of Thomas Jefferson, Harry Truman, and Lyndon B. Johnson, and you can see how they interlock for a fancy display.

Also, Mrs. Brooks' book on American coins, "Our American Coins," I have brought a copy of that with me here today, and this was also a little pamphlet or book designed for young people.

It is needless to say that Mrs. Brooks has made many great strides in promoting the interest of young coin collectors.

We would now like Mrs. Brooks to stretch herself just a little more with the important addition of the quarter to this bill.

If a special Bicentennial dollar and half-dollar coins are minted, coin collectors and noncollectors will hoard these coins, recognizing their significance.

If the quarter is also included in the bill, it will give the young coin collector more of a chance to enjoy the special coinage. This is because the quarter is a smaller denomination and is, therefore, more obtainable than a dollar or a half-dollar.

By adding the quarter to the bill, this will help young coin collectors in another way. It will give young numismatists a better opportunity to compete with the noncollector who just wants to hoard the money instead of the appreciation put forth by the sincere, honest coin collector. In order to have a coin-collecting hobby tomorrow, we must have young coin collectors today.

I think that there should be as many coins minted in special issue as possible. For example, right now Israel is celebrating their 25th anniversary. In honor of this, Israel has put out a new coinage bearing 1948-73, and their coins have been struck in a different metal. Israel has also released a special commemorative medal for the occasion.

Many countries have expressed by way of coins the events which made them great. The forming of a nation which has survived 200 years is also a great event.

Shouldn't it be fitting that the greatest country in the world have coinage celebrating its Bicentennial.

I hope you will all realize the importance of this coinage from a historical point of view.

Remember, memorials die, but coins live on. An example of this, this is a little over 2,000 years old. It is in perfect condition. This is an ancient coin from Greece of Julius Caesar.

These coins will also be historic in another way. These will be the first coins celebrating the birth of our Nation.

As you can see, this is landmark legislation.

The Bicentennial should be supported by everybody, especially this Government. By passing this bill, this will give the Government a bigger share in the celebration and give the Government and all Americans, especially young people, something to be proud of.

Speaking of government, one of the foundations it was built on was the right of self-determination. These coins which will be symbolic of the American Revolution, will commemorate self-determination because the Revolution was fought for that reason. Without this self-determination, we would not be the nation we have today. I think it would be a shame not to honor those men who fought for a then nonexistent nation.

By changing the reverses of the quarter, half dollar, and dollar, we can show young people that this period of our history is very important, and that three people and the symbol, who have been on the national coinage, are, indeed, important people. These are George Washington, Ben Franklin, Thomas Jefferson, and Miss Liberty. All these people and many more contributed to the founding of our Nation.

If it wasn't for these people and the American Revolution, we would not have the tremendous opportunities open to us today. There is no question in my mind as to the importance of this bill, not only to young people, but to everyone in the United States.

These coins will give people a proud sense of heritage and the knowledge of what our country is based upon.

We must, by way of national coinage, celebrate the birth of this great Nation.

In closing, I hope you will pass the bill with the addition of the quarter. This will be one of the first steps in celebrating our Bicentennial, but definitely the most important step.

Thank you for letting me testify in front of you today.

Senator HATHAWAY. Jeffrey, thank you very much.

I am sure that the committee will consider your testimony very favorably.

I am sure that we will come up with some kind of a bill for some kind of coinage to commemorate this important anniversary celebration.

And, again, I thank you for making your contribution and letting us know what your ideas are on the subject.

Thank you.

Mr. COOPERSMITH. Thank you.

Senator HATHAWAY. Mr. Clifford Mishler, Mr. John J. Pittman, and Mrs. Marion Russell.

STATEMENTS OF A PANEL COMPOSED OF CLIFFORD MISHLER,  
 NUMISMATIC NEWS; JOHN J. PITTMAN, PRESIDENT, AMERICAN  
 NUMISMATIC ASSOCIATION; AND MRS. MARION RUSSELL, EX-  
 ECUTIVE EDITOR, COIN WORLD MAGAZINE

Senator HATHAWAY. Would you all come to the witness table, please, and we will take you as a panel if it is all right with you, because you all have something pretty much in common.

All of your statements, which I have in front of me, will be placed in the record (beginning at p. 48), and why don't we start with Mr. Mishler. If you can summarize your statement for us, we would appreciate it.

Mr. MISHLER. Mr. Chairman, I will try to excerpt from my prepared remarks here. I am glad to appear before your committee in support of the concept of coinage commemoration of the Bicentennial of the American Revolution.

Considering the magnitude of the event at hand, however, I cannot accept the administration's proposal as providing a worthy solution.

There is no question that coin collectors, plus, I believe, the segment of the general public that knows what is happening, believe that the ideal of the Bicentennial is being seriously shortchanged by the administration's proposal.

And I'll go further, expressing the opinion that our country does not enjoy a full service coinage.

When undertaking a discussion of the Nation's coinage we must start by defining a coin and its functions. The definition of a coin is: Usually a piece of metal marked with a device issued by a governing authority and intended to be used as money.

The basic function of a coin is to serve society as a medium of exchange, but each and every coin in circulation performs a vital secondary function in the image it projects of the country of issue.

The size and weight of a coin are controlled by law to facilitate orderly commerce. The quantity available controls its actual application.

How well a coin or coinage accomplishes its secondary function is controlled by its design and accessibility.

In 1976 our country will be celebrating the 200th anniversary of its founding. Thus in a little more than 3 years a gigantic birthday party will be in the making from shore to shore of this great land. So great is the stature of that event that it is incumbent that everyone do everything possible to assure that it is properly commemorated.

The coin-collecting community is firmly convinced that the Bicentennial can best be brought to the attention of the general public through a meaningful coinage program.

What would constitute a meaningful program? At the very minimum it must encompass more than a pair of high-face-value, largely noncirculating coin issues.

I see the administration's bill as a measure designed primarily to enhance the merchandising of its collector products for the Bicentennial; it is certainly perfunctory in its approach to the objective of commemoration. This, unfortunately, is becoming an increasingly

obvious objective of the Government where it deals with the coin-collecting community.

Let us consider for a moment that we change the designs of all six of our Nation's regular coins for 1976, and probably for the duration of the Bicentennial era. If such an issue were to be placed in general circulation it would place in the hands of every citizen a direct physical memento of our Nation's 200th anniversary.

Such an issue would, of course, be a prime subject for the souvenir seekers among our 200 million citizens, and provisions would have to be made to produce sufficient coins to meet circulation requirement in light of their interests and influences on demand. I believe such a problem would be far from insurmountable; our Canadian neighbors met similar needs successfully 6 years ago.

In the first place, if for the Bicentennial year we are producing more than 50 coins for each and every American the potential for a hoarding incentive would be absent. It must be remembered that coins are hoarded only when they are scarce, and such a program would not create any scarce issues. Thus the number of coins retired for the honorable purpose of serving the citizenry as mementos would be minimal.

I also recall quite vividly from firsthand observation the manner in which the U.S. mint was able to cope with the extraordinary coinage demands brought on by the retirement of silver coins from circulation in the mid-1960's. Granted it was not easy, but with some extra shift operations and diligent application of facilities it was possible to produce sufficient coins that billions could be tied up in storage during the silver coin recovery program.

Granted such a program would certainly tax the mint's normal planned production routine, but for a special birthday something really special should be undertaken. As a parallel I would like to recall to your memory the fact that one does not prepare for the celebration of a birthday party or family dinner with the usual table setting. A lot of extra effort is put forth in order to make the occasion one that will really be remembered.

The institution of a complete change in the Nation's coinage for the Bicentennial, in addition to spreading the basic profits over the wide range of society, would also provide the mint with a really special proof set, and one which would possess a broad appeal. The excitement created by the new circulating coins would thus be profitable to our Nation's image, the Treasury's general fund, the mint's reimbursable program and the coin-collecting community as a whole.

Being a practical person, if it can be established that there is absolutely no reasonable way to accomplish such a broad task, I would be willing to establish as an absolute minimum the issue of at least one truly circulating coin issue which would commemorate the Bicentennial.

If this is to be the case I would suggest that the quarter, which already carries a likeness of the Father of Our Country is the most appropriate subject.

Let me briefly summarize my thoughts:

Let's consider all possibilities and determine if it is not in fact possible to redesign our Nation's entire range of regular coinage for 1976. Taking this step will provide a truly meaningful projection of

the national image, coupled with the maximum in direct and indirect profits.

If such a course of action is impossible, a single truly circulating coin issue must be authorized.

I would like to close now by paraphrasing a thought expressed by the late President Kennedy: The reason the coin-collecting community is so insistent in advocating the putting forth of greater effort than the administration has proposed in developing a Bicentennial coinage program is because they realize what coins can do for their country in their role as image builders.

I just might add in regards to a remark that Senator Hatfield made near the close of his testimony, in which a question came up with respect to previous use of our Nation's coinage for celebrating an event like this. At the time our 150th anniversary was celebrated in 1926, we did have a commemorative half dollar and a \$2.50 gold piece to mark the event.

These were not circulating issues. They were special commemorative issues. Thank you.

Senator HATHAWAY. You heard Mrs. Brooks' testimony in regard to the capacity of the mints for the entire new designs of coinage?

Mr. MISHLER. Right.

Senator HATHAWAY. What is your answer to that?

Mr. MISHLER. Of course she has great accessibility to statistics, and if the projection shows that more is absolutely impossible, naturally we should only take the quarter. But I do believe, however, that these figures are perhaps overly inflated as far as how many coins are going to be retired from circulation. As I mentioned in my statement, if these coins are produced in quantities of billions for circulation, or at least hundreds of millions, while each American will certainly want to save one of these coins, I don't think they are going to put 10 of them away in anticipation that all of a sudden they are going to become rare.

They will not be subject to hoarding, I don't think. They will only be subject to souvenir seekers. I think perhaps they are placing more weight than is merited on that factor.

Now I understand why they have used these projections, because they have the experience, No. 1, of the Kennedy half dollars and the early days of the Eisenhower dollars, but in the case of the Kennedy half dollars, these were silver-bearing dollars; they were not minor coins that circulate on a day-to-day basis.

They were actually produced under limitations of, say, 100 million a year. I don't recall exactly what the statistics were. But there were limitations. And also, I don't know what their figures show from Canada, but in Canada, relatively speaking, while they were able to circulate a coinage, they did not possess. I don't believe, the expansive capacity that the U.S. mint has to cope with such a requirement.

John here will correct me, perhaps, if I am wrong, but I believe you still encounter some of the Canadian centennial coins in circulation on occasion. Not the high value, but the lower value coins.

So I do believe that the mint definitely can cope with the demands that a full change in our coinage would create. I was pleased to hear Mrs. Brooks indicate that they were considering utilizing the bullion depository at West Point to perhaps help in such a program, to make

it as meaningful as possible. That is all I am saying. That it should be as meaningful as is all possible.

Senator HATHAWAY. Fine. Thank you very much.

Mr. MISHLER. Thank you.

Senator HATHAWAY. John Pittman.

Mr. PITTMAN. Mr. Chairman, I would like to read part of my remarks that have been handed in, and also make some comments on various statements and questions that have arisen, some on the part of Senator McClure, and some on the part of Senator Hatfield.

I believe I can give some answers. And my statement was made as the president of the American Numismatic Association, a member of the Coins and Medals Advisory Panel, American Revolution Bicentennial, consultant, General Services Administration, of the Carson City dollar program, and if I may, I would also like to speak as the past president of the Canadian Numismatic Association, and the only American ever to hold that office, and one who was on the advisory grouping for the selection of a gold coin for Canada as early as 1953.

So I will be able to shed some information which will be of use to this committee in considering not only 1141, but Senator Hatfield and Senator McClure's discussions of a proposed gold coin.

The present board of governors, elected by the ANA membership, has voted to support a change in the obverse and reverse design of all the circulating coins of the United States: 1, 5, 10, 25, and 50 cents and \$1, to commemorate the Bicentennial of the American Revolution.

Therefore, we recommend that S. 1141 be amended to authorize a bicentennial design on the obverse and reverse of all U.S. circulating coins. Our board of governors is also in favor of a \$2 bill, a 50-cent bill, and a gold coin to commemorate the Bicentennial of the American Revolution.

We appreciate the proposal of the Government as outlined in S. 1141 to place on the 50 cents and \$1 coins 1776-1976 in lieu of the date of coinage and to change the reverse design of these two coins—the two U.S. coins having least circulation. However, we do not feel that this proposed change goes far enough.

If the Government feels that the obverse design of the circulating coins cannot or will not be changed, we feel that all the reverse designs of the circulating coins should be changed to commemorate the Bicentennial of the American Revolution and all U.S. circulating coins should bear 1776-1976 in lieu of the date of coinage.

The greatest single personality of our American Revolution was George Washington, the Father of our Country, who served as Commander in Chief of the Army, and who served two full terms as our first President. The Bicentennial of Washington's birth was commemorated in 1932 when his portrait was placed on the obverse of the 25-cent piece, which is one of our most widely circulating coins.

Since Washington is on the obverse of this coin, it could be made a true commemorative of the Bicentennial of the American Revolution by placing a bicentennial design on its reverse. We feel that a bicentennial design change should occur at least on the reverse of the 25-cent piece, if on no other coin.

At this time we would like to say that we are very appreciative in learning that Mrs. Brooks is favorably inclined to a design change on the reverse of the 25-cent piece.

We hope this will be carried forward. But I would like to state that we hope that this change on the reverse is not contingent on West Point presses, because I feel that we would like to have them even though the presses at West Point were not available, and if presses at Denver, San Francisco, and Philadelphia should have to be pressed into action.

Therefore we ask that S. 1141 be amended to include a change in design on the reverse of the Washington quarter, a widely circulated coin which would call our attention in nearly every transaction to the commemoration of our country's Bicentennial.

Furthermore, it is a coin which can be collected and retained by everyone at small cost. Thomas Jefferson, author of the Declaration of Independence and our third President, now appears on the obverse of the 5 cent coin. While it is admitted that the reverse design of Jefferson's home, Monticello, is a fitting compliment to Jefferson's portrait, we feel that for the celebration of the Bicentennial of the American Revolution a design for the reverse of this coin which is more relevant to the American Revolution should be placed on this widely circulating coin. Therefore, we ask that S. 1141 be amended to include a change in design on the reverse of the Jefferson nickel.

If the portrait of President Franklin D. Roosevelt, a native son and Governor of New York, is to be retained on the 10-cent coin, we feel that the reverse should be changed to a design more symbolic of the American Revolution and it is suggested that a design pertaining to revolutionary activities in New York State be considered, such as Fort Ticonderoga. We therefore recommend that S. 1141 be amended to include a change in design on the reverse of the Roosevelt dime.

Since the cent is our most widely circulating coin, an American Revolution Bicentennial design on the obverse and reverse of this coin would constantly remind all our citizens of this great event. Therefore we recommend that S. 1141 be amended to include design changes on the obverse and reverse of the cent.

In 1967 our great neighbor to the north, Canada, made a complete design change in all her circulating coins, 1, 5, 10, 25, and 50 cents and \$1, to commemorate the 100th anniversary of Canadian Confederation.

At that time we also issued a \$25 goldpiece, originally it was the hope in Canada that we would have three coins, a \$5, \$10, and \$25 goldpiece, but we ended up with one Canadian gold coin.

It was a true commemorative coin. It did not circulate. But it is one of the most beautiful and one of the most collected coins in the Canadian series. These coins were well received, and the 1, 5, 10, and 25 cents were widely circulated.

Only 25 percent of our coinage would have to go for a bicentennial design change for the 5, 10, and 25 cents and \$1. So I believe we do have some room to move there.

By this special commemorative coinage, Canada showed her pride in her history and achievements not only to the rest of the world, but to her own citizens, including the young people who need, regardless of their actions to the contrary, a banner to wave, a cause to champion, something bigger than themselves to look up.

In 1876 in the United States, the 100th anniversary of the American Revolution, no coins were struck to commemorate the event. Does this

mean that the citizens or those responsible for establishing coinage regulations, did not feel that coins would commemorate the event?

As coin collectors and therefore as students of the artifacts of history we know that a nation's coins are preserved and therefore are some of the best witnesses to the ideals and way of life of former civilizations and cultures. We believe that the Bicentennial of the American Revolution should be celebrated by special commemorative designs on the obverse and reverse of all the Nation's coinage and thereby show the rest of the world, our own citizens, and future generations and historians that we believe in and have pride in our heritage.

Thank you for your attention, Mr. Chairman.

If I may now I would like to make a few other comments. I first stated, in 1967, I had been elected the first vice president of the American Numismatic Association, in 1969 and 1971, I served as president of that association, was active in that organization, and was familiar with the details of the striking of coins.

The 1, 5, and 10 cent did actually circulate. The quarter circulated. The half and the dollar did not circulate. The 1 cent piece is still in circulation today. Even along our northern border in Maine, New Hampshire, and Michigan and elsewhere, the 1 cent piece with the dove in it is still taken out of circulation, and it is being used even in our own machines.

The little 10 cent piece with a fish is still in use. Once in awhile you get the rabbit on a 5 cent piece, and thus it has been with the Canadian coinage.

Not only the coins of Canada which have been issued as commemorative coins are available, but the question was brought up about the gold coins and commemorative coins of other years. In 1903, when we celebrated purchase of the great Louisiana Territory \$1 goldpieces were struck in commemoration of that act.

In 1904, 1905, and in 1915, for the opening of the Panama Canal, celebration in San Francisco, 50 cent silverpieces, \$2½ goldpieces, two \$50 goldpieces. The only \$50 goldpieces were struck at that time, the only one struck.

They were commemorative coins in round and octagonal form. They preserve an ideal and something of the greatness of this country when we were able to bring the Pacific together with the Atlantic at that time.

So we do have a background along with the 1926 centennial coinage, to show that not only gold coins but silver coins are something that our people want and preserve part of the history of this country. I have just returned from a trip visiting the mints in the Netherlands, France, and Spain.

In the Netherlands they were coining a commemorative coin in silver, to commemorate the wedding of the queen of the Netherlands which will take place on September 4. These coins are being struck day in and day out and being stockpiled for September 4.

And incidentally, so that they are not hoarded in large quantity, and hold 1,000 to the bag, or 500 to the bag, the coins are being struck and wrapped in units of 20 without being touched by hands, and they are fully wrapped in paper wrappers and coming off in that manner.

At the Dutch mint last year, too, gold coins were struck. The Dutch Netherlands banks brought gold to the Dutch mint, and Dutch trade gold coins were struck dated 1972, and these we used to help support the Dutch wildlife fund.

These are very beautiful coins. Two, we have a way, if we should decide to, in the wisdom of the Senate and the House, and with the approval of the President, to have a gold coin, there is one way that we could know where the gold goes up in value or goes down, is to show on the coin, as the coins struck by the U.S. mint in 1915 and in 1916 and other dates for Cuba, the weight and fineness of the coin, gold and silver, or gold, if we only have a gold coin at that time, so that you could easily calculate the weight in value, depending on the fluctuations of the gold market.

This has been done in the past, and could be done if we should have such a coin. The Jamaica coins have also been struck as a commemorative piece of our mint to the north. So there is ample reason to believe that gold coins are interesting to collectors and would be collected, and since the United States has a history of expansion to the West, to the North and to the East and the South, we hope that 1976 will find commemorative coins in gold, hopefully in silver, and at least designs hopefully on the obverse and reverse, and if not at all, at least on our quarter, which all of us can have.

Thank you, Mr. Chairman.

Senator HATHAWAY. Thank you very much, Mrs. Russell. Your statement will be placed in the record. You may proceed to summarize it, if you will (see p. 55).

Mrs. RUSSELL. Thank you, Senator.

My name is Margo Russell, editor of Coin World, a weekly numismatic newspaper, published in Sidney, Ohio.

Thank you, Senator, for allowing us to represent opinions of our 132,500 paid subscribers before this distinguished group. Its decisions are highly important to our science-hobby industry.

Coin World's position on Bicentennial coinage, based on reader-mandate, has been clearly stated in a series of editorials.

We urge favorable consideration of:

A complete change of reverse design on all U.S. coins—\$1, 50- 25- 10- 5- and 1-cent coins—and a \$2-note to commemorate the Bicentennial of our great Nation;

A gold Bicentennial coin; and

Revival of annual production of a reasonably priced commemorative coin, preferably a 50-cent piece, with a theme of national significance.

At this time, in view of this committee's interest in coinage and affairs of the Bureau of the Mint, we would like to take this opportunity to register strong opposition to: Proceeds from the sale of 40-percent silver Eisenhower dollars going to the Eisenhower college; the high price of the proof 40-percent silver Eisenhower dollar; and authorization of the mint to strike medals which have no national significance.

In 1970, before activation of the American Revolution Bicentennial Commission's coins and medals advisory panel, Coin World contacted 84 leaders in numismatics. We asked them for their thinking concern-

ing numismatic observance of the Bicentennial of the United States of America.

Their replies reflected a deep interest and concern for a proper and dignified numismatic program. They indicated they believed Bicentennial coins, medals, and paper money would play a leading role in conveying the principles of the observance because they are items that would touch the life of every man, woman and child.

Consensus of opinion from this poll was for complete change of coinage for the Bicentennial, an item of paper money, a gold coin, and revival of the tradition of striking commemorative coins at this significant time in history.

I offer copies of these letters and identification of their authors to this committee for its files.

While I am not here today in my role as co-chairman of the American Revolution Bicentennial Commission's coins and medals advisory panel, I would remind this committee that the ARBC coins-medals panel, one of the few successfully functioning bodies of that organization, also recommended a complete change of coinage, an item of paper money in addition to medals and philatelic-numismatic cover to commemorate the 200th birthday of the country.

I would state here that it was a great, and unhappy, surprise, to the chairman, to me, and to members of our advisory panel, to learn on May 2 of this year that somewhere along the line, someone had revised the coins and medals advisory panel recommendations, recommendations approved by the American Revolution Bicentennial Commission, and, we assume, by the White House, since Commission reports are not released until they are accepted at the White House, according to our understanding.

Hugh Hall, acting director of the ARBC, testified May 2 before the House Banking and Currency Subcommittee on Consumer Affairs that from "our" discussions, "we" are satisfied that H.R. 5244 (to change only the reverses of the dollar and half dollar) can fulfill "many of our original goals, public exposure, and artistic quality in the Bicentennial program."

The coins and medals panel has yet to determine who the "our" and "we" are, to make that decision. For further background on this matter, I ask your kind permission to submit a Coin World editorial, published in our current issue.

Senator HATHAWAY. We will be glad to accept that.

Mrs. RUSSELL. Thank you.

Each week Coin World receives letters from collectors of all ages and from all walks of life, urging a comprehensive numismatic Bicentennial program.

One of my most pleasant responsibilities as Coin World editor is to report upon the activities of our dynamic Mint Director, Mary Brooks, with her strong sense of history.

So perhaps more than most people, I am aware that if it were not for her unflinching efforts, motivated by a deep and dedicated concern that our Nation have some reflection of a great occasion on its coinage, we would not have the legislation you are considering at this moment.

Too, I am aware of the mint's limited production capacity in the face of an ever-spiraling demand for coins. But it is difficult for the millions of coin collectors to understand why the mint cannot build

an inventory of sufficient quantity of Bicentennial coinage in advance for distribution in the Bicentennial year of 1976, and why the mint can continue to produce coinage for other nations, if its facilities are too overtaxed to manufacture coins for a once-in-a-lifetime occasion.

And why not a gold coin? We pose these questions because these are the ones we receive. How can other countries issue special coins, but not the greatest Nation in the world?

We have compiled a list of coinage issues produced by 57 nations in recent years commemorating their centennials, sesquicentennials and other comparable occasions for study, should this committee wish it.

This committee needs no reminding, I am certain, that coins outlast man, yet remain before man, century after century. There is no better vehicle to reiterate the validity of the ideas and ideals surrounding the founding of our Nation.

We respectfully suggest a new look at the revival of reasonably priced commemorative 50-cent coins of true national, historic interest.

We believe that under the auspices of the Bureau of the Mint, and with its new Special Coinage and Medals Order Processing Center in San Francisco, and perhaps with a coining unit at West Point, such a program would be met with great favor by the numismatic community and render profits to the Government from an item strongly desired by the hobby.

We can see no opportunity for past abuses of hoarding and profiteering from the commemorative issues under the efficient mint control.

There is a far different marketplace for commemorative coinage than in 1954 when the last coins of this type were produced. There are thousands more coin collectors to purchase the issue, according to the mint's mailing list. This indicates a heightened regard for the significance of such coins, and a knowledge of fair profits.

We are genuinely convinced that the numismatic public as well as all agencies associated with the distribution of commemorative coinage have been liberated from repeating the abuses of the past through experience and through education.

We offer here a table giving today's prices of commemorative coin issues to demonstrate the interest and desirability of such coins.

EF means "extremely fine"—slightly circulated with some luster but faint evidence of wear.

AU means "About Uncirculated." "Uncirculated" is defined as new, regular mint striking but never placed in circulation.

Br. Unc. is "Brilliant Uncirculated," choice coins.

Pr. range is "price range."

From comments made by some congressmen during appropriations hearings, we are aware that making a profit from the sale of collector coinage is not exactly distasteful.

However, our mail reflects a growing buyer resistance to some items offered through the current numismatic sales program, particularly the \$10 Eisenhower proof dollar, and the use of its profits for the Eisenhower College and Rayburn Library, a measure already approved by the Senate before this subcommittee was formed.

We have applied the terms "gouging" and "inflationary" to the \$10 Eisenhower proof dollar price since it was first announced. We see no reason to change our position.

We were sorry to learn recently that the price is to remain at \$10 for 1973 Eisenhower dollar coins, despite former Secretary of the Treasury John Connally's pronouncement that the profits were unconscionable.

We predict a buyer resistance in 1973, more drastic than that of 1972. The number of proof dollars ordered dropped from 4.3 million in 1971 to 1.7 in 1972.

It is conceivable, however, that the popularity of the 1973 Eisenhower silver dollar issues will revive among collectors should they decide Bureau of the Mint production figures for the 1973 cupro-nickel dollar indicates a low mintage.

Through April of 1973, only 3.3 million cupro-nickel dollars were minted. At the end of April a year ago, the mint had produced a total of 95.1 million cupro-nickel dollars.

If Congress decides to give away \$1 from the sale of each of the proof 40-percent silver Eisenhower dollars, there will be a great hue and cry from the coin-collecting fraternity. This has already started, based on our reader mail.

There will be a revival, we fear, of demands to cut the price and make refunds to the collectors.

We assume colleges bearing the name of "Lincoln," "Jefferson," "Roosevelt," "Washington," or "Kennedy," will come in for their share of the sale of proof and uncirculated coin sets, since they contain coins bearing the portraits of their namesakes.

In the list of medals presently being studied in the Congress, it is the opinion of our staff that Jim Thorpe and J. Edgar Hoover qualify as national heroes, and the 100th anniversary of Colorado, one of the 50 United States of America, is of national significance.

With your permission, I will include other relative Coin World editorials on the matters you are considering.

Thank you for your kind attention.

As a numismatic journalist, I would like to report that our unique hobby-science-industry considers it highly significant that this distinguished subcommittee was formed to study affairs of coinage and minting. Your fairness, awareness, and desire for communication, as evidenced by this hearing, foretells a great good for the future of Numismatics, U.S.A.

Thank you.

Senator HATHAWAY. Thank you very much.

There is a vote on the floor. I am going to call a recess for about 5 or 10 minutes while I go over and vote, and I will be right back.

I wish you would remain, because I have some questions.

[Recess.]

Senator HATHAWAY. Mrs. Russell, there is a question I wanted to ask you about your statement.

You say in there that of 84 leaders in numismatics indicated that a complete change of coinage, as well as a gold coin commemorating the Bicentennial is suggested, but in the 65 letters that you sent to the subcommittee, we found only three that advocated gold coin, and only 14 that mentioned a complete change of the currency.

Mrs. RUSSELL. The 84 letters was one source of our basis for judgment. The complete change of coinage was compiled from reader

reaction over, I would say, about 4 years, and through personal polling at conventions and what-have-you. We kept accurate account, and we have on the average, about 10,000 letters a year from our readers on various subjects, and we have carefully kept statistics on this, also.

That is how we base all of our opinions in my statement, on our reader reaction. That is not mine personally.

But we thought that 84 letters would give you a flavor of how people felt about the Bicentennial, so that is why I chose that route.

Senator HATHAWAY. Was that a good sample of what you have been receiving?

Mrs. RUSSELL. It wasn't strong enough for a complete change of coinage.

Senator HATHAWAY. In fact, it was very low for a complete change of coinage.

Mrs. RUSSELL. Yes.

Senator HATHAWAY. And very low for a gold coin.

Mrs. RUSSELL. Yes.

Senator HATHAWAY. But that would be a fair sampling, you say?

Mrs. RUSSELL. No; I didn't say that. I am sorry.

I said at the time that was the flavor of the patriotic, highflown idealism of our hobbyists. But the complete change of coinage and the other opinions that I reflected were based on a poll over a period of years. Ever since we started talking about Bicentennial coinage, we have kept particular records of how the numismatic community was reacting.

Senator HATHAWAY. I see.

You say also that there is a far different marketplace for commemorative coins now than there was in 1954.

How did you arrive at this conclusion?

Mrs. RUSSELL. May I have that question again?

Senator HATHAWAY. You say there is a different marketplace for commemorative coins now than there was in 1954 when the last coin was struck.

Mrs. RUSSELL. There were not nearly as many coin collectors in 1954, and there was not the fast communication in 1954. We only had one or two numismatic journals, and now we have *Coin World*, a weekly; Mr. Mishler's weekly newspaper, *Numismatic News*; teletypes, and so forth.

Senator HATHAWAY. How many coin collectors are there in the United States today?

Mrs. RUSSELL. That is a very good question. The top figure that we have is 10 million. We do not believe that is a very realistic figure.

The mint has about 3.5 million customers in the numismatic service. We feel that would reflect pretty much the top potential of the coin collecting hobby.

However, I have heard, and this has been sort of borne out again by polls, that there might be as few as 300,000 serious coin collectors.

You know, there is a security factor involved, and a lot of collectors have great, fantastic collections, but they just don't talk about them, because the underworld has transferred its affections for furs and jewels to coins.

Senator HATHAWAY. Right.

Thank you very much.

Thank all three of you, we appreciate it.

Mr. PITTMAN. Mr. Chairman, can I make a comment on this point?

Senator HATHAWAY. Make it brief.

Mr. PITTMAN. In 1936, the U.S. Mint produced 3,837 proof sets which were sold to probably not more than 2,000 collectors. In 1970, the U.S. Mint produced 2,632,810 proof sets, down from the 3,950,762 proof sets produced in 1964, the first year of the Kennedy half-dollar. If, in 1964 and 1970, each serious coin collector purchased not more than five U.S. Mint proof sets, there would be between 525,000 and 790,000 serious coin collector in the United States, as compared with probably 4,000 in 1936.

[The complete statements of the witnesses making up the panel follow:]

STATEMENT OF CLIFFORD MISHLER, SENIOR EDITOR, NUMISMATIC NEWS WEEKLY, COIN MAGAZINE, COIN PRICES, AND THE STANDARD CATALOG OF WORLD COINS

Mr. Chairman and members of your committee: I am pleased to appear before you today in support of the concept of coinage commemoration of the bicentennial of the American Revolution. Considering the magnitude of the event at hand, however, I can not accept the administration's proposal as providing a worthy solution.

Before developing specific recommendations for a more meaningful program, however, I would like to take a few moments to explain to you what our organization is. As the world's largest publisher of periodicals for the hobby, Krause Publications regularly serve over 200,000 coin collectors with one or more of our four titles.

Our Numismatic News Weekly, established 21 years ago, is the oldest newspaper serving the hobby. We also publish Coins, a monthly magazine, and Coin Prices, the industry's most respected guide to domestic coin values. Another of our principal products is the Standard Catalog of World Coins, an 800 page volume which lists and values over 30,000 world coins.

We are, you could say, a full service publisher.

From a personal standpoint I have been actively involved with coins as a hobby and profession for more than two decades. My work has been involved in the printed media for the past 15 years. I believe the reactions we receive by letter, telephone and personal contacts from our collector/readers throughout the country, which are not unlike the pulse you regularly receive from constituents, should provide a pretty good indication of the merit of a subject.

There is no question that coin collectors, plus, I believe, the segment of the general public that knows what is happening, believe that the ideal of the bicentennial is being seriously shortchanged by the administration's proposal. And I'll go further, expressing the opinion that our country does not enjoy a full service coinage.

When undertaking a discussion of the nation's coinage we must start by defining a coin and its functions. The definition of a coin is: Usually a piece of metal, marked with a device, issued by a governing authority and intended to be used as money. The basic function of a coin is to serve society as a medium of exchange, but each and every coin in circulation performs a vital secondary function in the image it projects of the country of issue.

The size and weight of a coin are controlled by law to facilitate orderly commerce. The quantity available control its actual application. How well a coin or coinage accomplishes its secondary function is controlled by its design and accessibility.

In 1976 our country will be celebrating the 200th anniversary of its founding. Thus in a little more than three years a gigantic birthday party will be in the making from shore to shore of this great land. So great is the stature of that event that it is incumbent that everyone do everything possible to assure that it is properly commemorated.

Before moving on to a brief explanation of my specific recommendations, which are not in agreement with the administration's proposal, I would like to note that while it may appear that we are at war with the Mint, such is certainly not the case. In recent years the Mint has undertaken several steps which have significantly enhanced the general public's appreciation and understanding of our nation's coins, particularly through young people.

The coin collecting community is firmly convinced that the bicentennial can best be brought to the attention of the general public through a meaningful coinage program.

What would constitute a meaningful program? At the very minimum it must encompass more than a pair of high face value, largely noncirculating coin issues.

I join the collecting public in welcoming the proposed bicentennial commemorative half dollar and dollar coins, while at the same time expressing the feeling that the nation's birthday will be seriously shortchanged if we go no further. It is, in fact, an absolute shame, as was pointed out in the Numismatic News Weekly editorial of March 20, 1973—"Is That All There Is?"—which I would like to submit for the record.

In 1972 our mints struck nearly 8.3 billion coins, or about 40 for each man, woman and child in the country. The half dollar and dollar represented only about 5-percent of that quantity, with less than one dollar coin being struck for each citizen. Mint projections indicate that production will climb to about 10 billion coins by 1976, providing a per capita production of some 45 coins.

Halves and dollars represent by far the smallest percentage of coins in circulation. In many parts of the country they are seldom if ever encountered in daily commerce.

The point is obvious: If the nation is to have a bicentennial coinage that provides a meaningful projection of the image of our great country it must not be restricted to the half and dollar.

I see the administration's bill as a measure designed primarily to enhance the merchandising of its collector products for the bicentennial; it is certainly perfunctory in its approach to the objective of commemoration. This, unfortunately, is becoming an increasingly obvious objective of the government where it deals with the coin collecting community.

At this point I would like to include, for the record, three editorials dealing with Mint profits which have appeared in Numismatic News Weekly:

"Let The Collector Despair"—May 8, 1973.

"Caveat Vendor"—February 27, 1973.

"Proof Set Profits"—January 9, 1973.

I am sure this committee is fully aware that the Mint is currently selling more than \$50 million worth of proof sets, mint sets, proof and uncirculated Ike dollars, and medals to coin collectors annually, thereby generating substantial profits for the government. In bringing up this point, I want you to know that I'm not against a government agency operating under a structure which provides relief to the taxpayer.

What I am against is the fact that these profits are being extracted at the expense of the coin collecting minority . . . and without the benefit of any offsetting returns to the collecting community. What should be of additional importance to you is the fact that the bicentennial coinage program proposed by S. 1141 provides largely for the extraction of more such profits, profits which would be minimal compared to those which could be realized in seigniorage under a much more meaningful program of circulating coinage.

Let us consider for a moment that we change the designs of all six of our nation's regular coins for 1976, and probably for the duration of the Bicentennial Era. If such an issue were to be placed in general circulation it would place in the hands of every citizen a direct physical memento of our nation's 200th anniversary.

Such an issue would, of course, be a prime subject for the souvenir seekers among our 200 million citizens, and provision would have to be made to produce sufficient coins to meet circulation requirements in light of their interests and influences on demand. I believe such a problem would be far from insurmountable; our Canadian neighbors met similar needs successfully six years ago.

In the first place, if for the bicentennial year we are producing more than 50 coins for each and every American the potential for a hoarding incentive would be absent. It must be remembered that coins are hoarded only when they are

scarce, and such a program would not create any scarce issues. Thus, the number of coins retired for the honorable purpose of serving the citizenry as mementos would be minimal.

I also recall quite vividly from first hand observation the manner in which the U.S. Mint was able to cope with the extraordinary coinage demands brought on by the retirement of silver coins from circulation in the mid-60s. Granted it was not easy, but with some extra shift operations and diligent application of facilities it was possible to produce sufficient coins that billions could be tied up in storage during the silver coin recovery program.

Granted such a program would certainly tax the Mint's normal planned production routine, but for a special birthday something really special should be undertaken. As a parallel I would like to recall to your memory the fact that one does not prepare for the celebration of a birthday party or family dinner with the usual table setting. A lot of extra effort is put forth in order to make the occasion one that will really be remembered.

The institution of a complete change in the nation's coinage for the bicentennial, in addition to spreading the basic profits over the wide range of society, would also provide the Mint with a really special proof set, and one which would possess a broad appeal. The excitement created by the new circulating coins would thus be profitable to our nation's image, the Treasury's general fund, the Mint's reimbursable program and the coin collecting community as a whole.

Being a practical person, if it can be established that there is absolutely no reasonable way to accomplish such a broad task, I would be willing to establish as an absolute minimum the issue of at least one truly circulating coin issue which would commemorate the bicentennial. If this is to be the case I would suggest that the quarter, which already carries a likeness of the "Father of Our Country," is the most appropriate subject.

As a bonus to such a program I also support the concepts envisioned in S. 422, S. 1927, and S. 1928. I believe the issue of a special gold commemorative, along with silver bearing halves and dollars, would provide a logical capping climax to a circulating bicentennial coinage program. Such premium priced issues would of course, appeal primarily to the collecting public, and would not in any way serve the basic requirements which must be met by circulating coins.

Let me briefly summarize my thoughts:

Let's consider all possibilities and determine if it is not in fact possible to redesign our nation's entire range of regular coinage for 1976. Taking this step will provide a truly meaningful projection of the national image, coupled with the maximum in direct and indirect profits.

If such a course of action is impossible, a single truly circulating coin issue must be authorized.

I would like to close by paraphrasing a thought expressed by the late President Kennedy: The reason the coin collecting community is so insistent in advocating the putting forth of greater effort than the administration has proposed in developing a Bicentennial coinage program is because they realize what coins can do for their country in their role as image builders.

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[From the Mar. 20, 1973 issue of Numismatic News Weekly]

#### IS THAT ALL THERE IS?

A song popularized by Peggy Lee rather aptly sums up our feelings regarding the U.S. Mint's announced plans for 1976 bicentennial coin issues: "Is That All There is?"

It's certainly commendable that concurrent with the 200th anniversary of this Nation's founding at least two of our coins—the dollar and half dollar—will bear new designs attesting to this significant milestone. But why just two, and why select coins for this purpose which undoubtedly can be expected to enjoy the smallest possible general circulation?

The Mint's latest plans are a big improvement, to be sure, over those it offered earlier—mere double-dating of our coins, with no other changes in design. Still, we don't think they go nearly far enough.

Our coins can—and should—be made to serve as daily reminders, to every single citizen, of the historic anniversary at hand. What better way could there

be to draw attention to the bicentennial than through pocket change—the coins which everyone has occasion to see and use every day.

Every time someone makes a phone call, every time a child approaches a penny gum ball machine—every such occasion could, quite easily, be made to serve as one more small reminder of this Nation's historic birthday.

We urge the Mint—and Congress—to consider that matter further and revise the coinage plans accordingly.

We would like to see at least one new bicentennial coin among the smaller denominations, so that it could gain widespread circulation. A new dime or cent would be an excellent choice.

Revisions should be made in our paper money, too. Why not even consider a new denomination? The much discussed two dollar note would be most appropriate for this purpose.

When Canada issued an entire series of new coins to commemorate her centennial of confederation in 1967, she marked that anniversary in a manner in which her citizens could take justifiable pride. Should our nation mark its Bicentennial in a visible less dramatic fashion? We think not.

In any event, we now await with keen interest the results of the forthcoming design competition which will terminate in the selection of two new reverses—one for the Kennedy half dollar, the other for the Eisenhower dollar. The subject at hand surely calls for inspired and unique concepts, whose execution must stand as fitting tributes not only to the historic event itself, but also to the artistic genius of their creators.

Mint Director Mary Brooks has told us we'll be getting "a change in our change." Somehow, we're a little fearful at this point that we may be getting "shortchanged."

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[From the May 8, 1973 issue of Numismatic News Weekly]

#### LET THE COLLECTOR DESPAIR

Lately it seems like just one exciting surprise after another is being sprung on us by our friends at the U.S. Mint.

The newest "biggie" to come our way is the revelation that orders are now being accepted for 1973 proof Eisenhower silver dollars.

But the really big news is the price. With the cost of practically everything in our merry-go-round economy spiraling higher and higher, the U.S. Mint has somehow managed to hold the price line on these collector mementos and will offer them at \$10—just like the previous two editions.

Sounds pretty incredible, doesn't it? How can it be done, you may wonder.

We're not privy to such classified secrets as exactly how much these little beauties cost the Mint to produce, but we'd be willing to bet that the margin of profit at the "traditional" price is so healthy that the line could be held there for the next five years or so without endangering the kind of results that Macy's or Gimbel's would gladly accept at the slam of a cash register.

Even with increased production costs (are there ever any other kind?) we know that the Treasury Department nets a fairly tidy profit on every Ike silver dollar it sells. We can understand that kind of thinking. It's like the kid who sells lemonade for \$1 a glass: at a price like that, he doesn't have to sell very much to come out ahead.

While we can understand this kind of reasoning, though, we certainly can't be sympathetic toward it. It surely doesn't seem to take into account the basic principles of equitable marketing practices. Instead, it appears very much like the old "whatever the traffic will bear" philosophy.

Is this any way to run a government agency?

To say that we're sorely disappointed with the decision not to lower the price is putting it mildly. We've gotten a number of indications over the past year—even from the Mint director herself—that a price reduction was likely, and since it hasn't happened, we feel the hobby is entitled to some sort of explanation.

When asked to shed some light on the reasoning behind the decision, a Mint spokesman offered Numismatic News Weekly the illuminating response, "No comment."

Perhaps there are valid and understandable reasons behind the Mint's decision. But without a word of explanation to the contrary we're inclined, at this point, to let our thoughts dwell on the evils of "unconscionable profits."

In 1971 the Mint sold more than 4 million silver proof dollars; last year sales slipped to less than 2 million—and, we might note, both these coins can now be bought from dealers for less than the \$10 which they cost their original purchasers.

Why this sharp decline?

We—and many hobbyists and dealers across the country—suspect it may have something to do with the price.

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[From the Feb. 27, 1973 issue of Numismatic News Weekly]

#### CAVEAT VENDOR

The General Services Administration may choose not to face the fact, but it's clear to just about everyone else that the "Great Silver Sale" is off to a disappointing start.

GSA officials claim to be pleased that the 700,000 silver dollars sold so far represent one-fourth of the total in the government hoard. True, but irrelevant. The pertinent point is that 1 million other coins—offered at the same time and on the same terms—went begging. In short, nearly 60 percent of the merchandise is still on the counter—and the demand for it figures to diminish, not increase, from this point forward.

The restrained response to the GSA sale strikes us as one more sign of mounting resistance—and resentment—among the nation's coin collectors when it comes to government agency programs. More and more collectors, it seems to us, are getting up in arms over the high prices and high profits Uncle Sam is reaping from his numismatic goods.

Orders for proof and uncirculated Eisenhower silver dollars, for example, fell off drastically last year. Orders for the \$10 proofs dropped from 4.4 million in 1971 to only 1.7 million in '72, while orders for the \$3 uncirculated coins plunged from 6.5 million to only 2.3 million.

The American Revolution Bicentennial Commission felt the pinch, too. Initially, the AREC said it would fill orders for up to 2 million PNC units containing the 1972 Bicentennial medal. It ended up selling only 791,000—with 59,000 others still on the shelves. Later, the agency offered a solo version of the medal, and bullishly announced at least a million would be made. This time it sold fewer than 650,000.

As this is written, final figures aren't yet in on 1973 proof set orders. Preliminary figures suggest, however, that the response was significantly lower than last year, despite an extended ordering period. Not coincidentally, the Mint raised the price from \$5 to \$7 per set this time around, in return for which collectors are getting a proof version of the cupronickel Eisenhower dollar—a coin of \$1 face value and negligible intrinsic worth.

In fairness to GSA, the prices for the government's CC dollars had to meet guidelines set down by Congress, and on this point, at least, there was little room for maneuvering. The flap over GSA's investment claims was completely avoidable, however, and undoubtedly held down sales.

Uncle Sam still can count on a hard core of collectors to buy his wares, whatever the cost. The core seems to be growing smaller and softer, though.

As we see it, the message in all this is a twist on the old Latin proverb: Caveat vendor . . . Seller, beware.

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[From the Jan. 9, 1973, issue of Numismatic News Weekly]

#### PROOF SET PROFITS

The U.S. Mint was understandably embarrassed last year when figures were released showing it had made a profit of some \$44 million on the sale of 1971 Eisenhower silver dollars. We quite agree with former Treasury Secretary John B. Connally that this profit was "unconscionable."

We suspect the Mint would be equally embarrassed if word got out on just how much profit it has made on the sale of proof sets in recent years.

Mint officials have never made concise cost-profit figures on proof sets available. We've done a little digging, though, and come up with some figures we find not only revealing but also, if we may borrow Secretary Connally's word, unconscionable.

Our figures are only estimates, we admit. They're based on the best information available to us, though—meager as that is. And if we're wrong, we invite the Mint to furnish documentation refuting our findings.

We've limited our study to proof set issues from 1950 to date, and broken it down further into two periods: 1950 to 1964 and 1968 to date. For the first period, we've based our estimates on the Mint's sales figures and revenue deposits for fiscal year 1962; for the second period, we've used fiscal 1970 as a base year.

We estimate that the Mint realized a direct profit of some \$11 million on its proof set operations for the 1950-64 period, on a combined production of some 41.6 million sets. From 1968 to 1972, a period only one-third as long, we estimate a profit nearly three times as great—\$32 million on sales of 75.4 million sets.

In each case, we've arrived at the profit per set by combining the face value of the coins—91 cents—and the production cost and subtracting this figure from the selling price. (The price was \$2.10 per set for the first period, \$5 per set for the second.) We estimate the production cost at 64 cents per set from 1950 to 1964 and \$1.54 per set from 1968 to 1972. (At that we may be generous: during 1971 appropriation hearings before Congress, Mint officials said production costs then were \$1.09 per set.)

These figures, we might add, do not reflect the additional profit gained by the government through seigniorage—the amount by which the coins' face value exceeds their metallic value. From 1950 to '64, when three of the coins were 90 per cent silver, this amounted to only 30 to 35 cents per set. In 1968, with dimes and quarters silverless and half dollars only 40 per cent silver, it jumped to 55 to 60 cents per set. And in 1971, with silver abandoned altogether, the cost of metal became negligible.

For 1973, the Mint has added the non-silver Eisenhower dollar to the proof set and raised the price to \$7. Even supposing that this will result in a 15-cent increase in production cost—a 10 per cent jump—we figure the Mint will come up with a profit of more than \$11 million on the projected sale of 3.25 million sets.

The revenue deposits we've used in our calculations are the revenues transferred from the Mint to the Treasury's general fund as a result of its reimbursable programs. These amounted to about \$1.7 million in fiscal 1962 and \$7.2 million in 1970—and in both instances, nearly all these proceeds certainly resulted from the proof set program.

The Mint's proof set profits have been substantial from 1950 on. In recent years, however, they have not simply grown, as they did through the late '50s and early '60s; they have mushroomed, thanks to increases in the sale price and dropping raw material costs.

With profits at such a level, we believe the Mint is no longer simply delivering a "service" desired by collectors and the public at large, as it often claims to be doing. We believe it is high time that part of the profits be used to return some such service, however—through public information ventures, for example, which will spread the story of the nation's coins and our hobby to every nook and cranny of the nation.

As it stands, the goose that lays the golden egg is getting chicken feed or less.

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STATEMENT OF JOHN JAY PITTMAN, PRESIDENT OF THE AMERICAN NUMISMATIC ASSOCIATION; MEMBER, COINS AND MEDALS ADVISORY PANEL, AMERICAN REVOLUTION BICENTENNIAL COMMISSION; CONSULTANT, GENERAL SERVICES ADMINISTRATION CARSON CITY SILVER DOLLAR PROGRAM

Mr. Chairman and Gentlemen of the committee:

My name is John Jay Pittman of Number 4, Acton Street, Rochester, New York. Today I appear before this committee as President of the almost 29,000 member American Numismatic Association . . . the ANA . . . which operates under a Federal Charter granted by The United States Congress in 1912.

The present Board of Governors, elected by the ANA membership, has voted to support a change in the obverse and reverse designs of all the circulating coins of the USA (1¢, 5¢, 10¢, 25¢, 50¢, and \$1) to commemorate the Bicentennial of the American Revolution. Therefore, we recommend that S. 1141 be amended to authorize a bicentennial design on the obverse and reverse of all U.S. circulating coins. Our Board of Governors is also in favor of a \$2 bill, a 50-cent bill, and a gold coin to commemorate the Bicentennial of the American Revolution.

We appreciate the proposal of the government as outlined in S. 1141 to place on the 50¢ and \$1 coins "1776-1976" in lieu of the date of coinage and to change the reverse design of these two coins—the two U.S. coins having least circulation. However, we do not feel that this proposed change goes far enough. If the government feels that the obverse design of the circulating coins cannot or will not be changed, we feel that all the reverse designs of the circulating coins should be changed to commemorate the Bicentennial of the American Revolution and all U.S. circulating coins should bear "1776-1976" in lieu of the date of coinage.

The greatest single personality of our American Revolution was George Washington, the Father of our Country, who served as Commander-in-Chief of the Army, and who served two full terms as our First President. The Bicentennial of Washington's birth was commemorated in 1932 when his portrait was placed on the obverse of the 25¢ coin, which is one of our most widely circulating coins. Since Washington is on the obverse of this coin, it could be made a true commemorative of the Bicentennial of the American Revolution by placing a bicentennial design on its reverse. We feel that a bicentennial design change should appear at least on the reverse of the 25¢ piece, *if on no other coin*. Therefore, we ask that S. 1141 be amended to include a change in design on the reverse of the Washington quarter, a widely circulating coin which would call our attention in nearly every monetary transaction to the commemoration of our country's Bicentennial. Furthermore, it is a coin which can be collected and retained by every citizen at small cost.

Thomas Jefferson, author of the Declaration of Independence and our third president, and one of the strongest supporters of the American Revolution, now appears on the obverse of the 5¢ coin. While it is admitted that the reverse design of Jefferson's home, Monticello, is a fitting complement to Jefferson's portrait, we feel that, for the celebration of the Bicentennial of the American Revolution, a design for the reverse of this coin which is more relevant to the American Revolution should be placed on this widely circulating coin. Therefore, we ask that S. 1141 be amended to include a change in design on the reverse of the Jefferson nickel.

If the portrait of President Franklin D. Roosevelt, a native son and governor of New York State, is to be retained on the 10¢ coin, we feel that the reverse should be changed to a design more symbolic of the American Revolution and it is suggested that a design pertaining to revolutionary activities in New York State be considered, such as Fort Ticonderoga. We therefore recommend that S. 1141 be amended to include a change in design on the reverse of the Roosevelt dime.

Since the cent is our most widely circulating coin, an American Revolution Bicentennial design on the obverse and reverse of this coin would constantly remind all our citizens of this great event. Therefore, we recommend that S. 1141 be amended to include design changes on the obverse and reverse of the cent.

In 1967, our great neighbor to the north, Canada, made a complete design change in all her circulating coins (1¢, 5¢, 10¢, 25¢, 50¢ and \$1) to commemorate the 100th Anniversary of Canadian Confederation. These coins were well received and the 1¢, 5¢, 10¢, and 25¢ were widely circulated. (As in the U.S., the 50¢ and \$1 coin saw little circulation.) By this special commemorative coinage, Canada showed her pride in her history and achievements—not only to the rest of the world, but to her own citizens, including the young people who need, regardless of their actions to the contrary, a banner to wave, a cause to champion, something bigger than themselves to look up to.

In 1876 in the USA, the 100th Anniversary of the American Revolution, no coins were struck to commemorate the event. Does this mean that the citizens, or those responsible for establishing coinage regulations, did not feel that coins would commemorate the event? As coin collectors and, therefore, as students of the artifacts, we know that a nation's coins are preserved and therefore are some of the best witnesses to the ideals and way of life of former civilizations and cultures. We believe that the Bicentennial of the American Revolution should be celebrated by special commemorative designs on the obverse and reverse of all the nation's coinage and thereby show the rest of the world, our own citizens, and future generations and historians that we believe in and have pride in our heritage.

Thank you for your attention, Mr. Chairman.

## STATEMENT OF MRS. MARION RUSSELL, EDITOR, COIN WORLD

My name is Mrs. Marion Russell, editor of Coin World, a weekly numismatic newspaper, published in Sidney, Ohio. Thank you for allowing us to represent opinions of our 132,500 paid subscribers before this distinguished group. Its decisions are highly important to our science-hobby industry.

Coin World's position on Bicentennial Coinage, based on reader-mandate, has been clearly stated in a series of editorials.

We urge favorable consideration of:

A complete change of reverse design on all United States coins—one dollar, fifty, twenty-five, ten, five and one-cent coins—and a \$2 note to commemorate the Bicentennial of our great nation.

A gold Bicentennial coin.

Revival of annual production of a reasonably-priced commemorative coin, preferably a 50-cent piece with a theme of national significance.

At this time, in view of this committee's interest in coinage and affairs of the Bureau of the Mint, we would like to take this opportunity to register strong opposition to—

Proceeds from the sale of 40% silver Eisenhower dollars going to the Eisenhower college.

The high price of the Proof 40% silver Eisenhower dollar.

Authorization of the Mint to strike medals which have no national significance.

In 1970, before activation of the American Revolution Bicentennial Commission's Coins and Medals advisory panel, Coin World contacted 84 leaders in numismatics. We asked them for their thinking concerning numismatic observance of the Bicentennial of the United States of America. Their replies reflected a deep interest and concern for a proper and dignified numismatic program. They indicated they believed Bicentennial coins, medals and paper money would play a leading role in conveying the principles of the observance because they are items that would touch the life of every man, woman and child.

Consensus of opinion from this poll was for complete change of coinage for the Bicentennial, an item of paper money, a gold coin and revival of the tradition of striking commemorative coins at this significant time in history. I offer copies of these letters and identification of their authors to this committee for its files.

While I am not here today in my role as co-chairman of the American Revolution Bicentennial Commission's Coins and Medals Advisory panel, I would remind this committee that the ARBC coins-medals panel, one of the few successfully functioning bodies of that organization, also recommended a complete change of coinage, an item of paper money in addition to medals and philatelic-numismatic cover to commemorate the 200th birthday of the country.

I would state here that it was a great, and unhappy surprise, to the chairman, to me and to members of our advisory panel to learn on May 2 of this year that somewhere along the line, someone had revised the Coins-Medals Advisory panel recommendations, recommendations approved by the American Revolution Bicentennial Commission and, we assume, by the White House since Commission reports are not released until they are accepted at the White House, according to our understanding.

Hugh Hall, acting director of the ARBC, testified May 2 before the House Banking and Currency subcommittee on Consumer Affairs that from "our" discussions "we" are satisfied H.R. 5244 (to change only the reverses of the dollar and half dollar) can fulfill "many of our original goals, public exposure and artistic quality in the Bicentennial program."

The Coins and Medals panel has yet to determine who the "our" and "we" are, to make the decision. For further background on this matter, I ask your kind permission to submit a Coin World editorial published in our current issue.

Each week Coin World receives letter from collectors of all ages and from all walks of life, urging a comprehensive numismatic Bicentennial program.

One of my most pleasant responsibilities as Coin World editor is to report upon the activities of our dynamic Mint director, Mary Brooks, with her strong sense of history. So perhaps more than most people, I am aware that if it were not for her unflinching efforts, motivated by a deep and dedicated concern that our nation have some reflection of a great occasion on its coinage, we would not have the legislation you are considering at this moment.

Too, I am aware of the Mint's limited production capacity in the face of ever-spiraling demand for coins. But it is difficult for the millions of coin collectors to understand why the Mint cannot build an inventory of sufficient quantity of Bicentennial coinage in advance for distribution in the Bicentennial year of 1976, and why the Mint can continue to produce coinage for other nations if its facilities are too overtaxed to manufacture coins for a once-in-a-lifetime occasion.

And why not a gold coin? We pose these questions because these are the ones we receive. How can other countries issue special coins, but not the greatest nation in the world?

We have compiled a list of coinage issues produced by 57 nations in recent years commemorating their centennials, sesquicentennials and other comparable occasions for study should this committee wish it.

This committee needs no reminding, I am certain, that coins outlast Man, yet remain before Man, century after century. There is no better vehicle to reiterate the validity of the ideas and ideals surrounding the founding of our nation.

We respectfully suggest a new look at the revival of reasonably priced commemorative 50-cent coins of true national, historic interest. We believe that under the auspices of the Bureau of the Mint, and with its new Special Coinage and Medals Order Processing Center in San Francisco and perhaps with a coining unit at West Point, such a program would be met with great favor by the numismatic community and render profits to the government from an item strongly desired by the hobby.

We can see no opportunity for past abuses of hoarding and profiteering from the commemorative issues under the efficient Mint control.

There is a far different marketplace for commemorative coinage than in 1954 when the last coins of this type were produced. There are thousands more coin collectors to purchase the issue, according to the Mint's mailing list. This indicates a heightened regard for the significance of such coins, and a knowledge of fair profits.

We are genuinely convinced that the numismatic public as well as all agencies associated with the distribution of commemorative coinage have been liberated from repeating the abuses of the past through experience and through education.

We offer here a table giving today's prices of commemorative coin issues to demonstrate the interest and desirability of such coins.

EF means "Extremely Fine" (slightly circulated with some luster but faint evidence of wear.) AU means "About Uncirculated." Uncirculated is defined as new, regular Mint striking, but never placed in circulation. Br. Unc. is "Brilliant Uncirculated," choice coins. Pr. range is price range.

COMMEMORATIVE HALF DOLLARS

	Extra fine	About uncirculated	Brilliant uncirculated price range	
1892 Columbian.....	\$6.00	\$10.00	\$16.00	\$19.00
1893 Columbian.....	5.75	9.00	16.00	19.00
1893 Isabella 25c.....	60.00	100.00	155.00	170.00
1900 Lafayette \$1.....	225.00	300.00	550.00	600.00
1915 Pan-Pacific.....	100.00	200.00	375.00	425.00
1918 Illinois.....	20.00	35.00	52.50	57.50
1920 Maine.....	30.00	45.00	62.50	70.00
1920 Pilgrim.....	15.00	20.00	28.00	35.00
1921 Pilgrim.....	30.00	37.50	70.00	77.50
1921 Alabama 2x2.....	90.00	175.00	365.00	400.00
1921 Alabama Plain.....	55.00	85.00	200.00	235.00
1921 Missouri Plain.....	125.00	225.00	475.00	525.00
1921 Missouri 2x4.....	150.00	250.00	525.00	575.00
1922 Grant.....	25.00	35.00	52.50	57.50
1922 Grant Star.....	150.00	250.00	475.00	525.00
1923 Monroe.....	12.00	20.00	32.50	37.50
1924 Huguenot.....	20.00	30.00	50.00	55.00
1925 Lexington.....	14.00	20.00	32.50	37.50
1925 Stone Mountain.....	11.00	17.50	20.00	24.00
1925 California.....	17.50	25.00	42.50	47.50
1925 Vancouver.....	85.00	125.00	215.00	245.00
1926 Sesqui.....	17.50	25.00	47.50	52.50
1926 Oregon.....	15.00	20.00	37.50	42.50
1926-S Oregon.....	15.00	20.00	37.50	42.50
1928 Oregon.....			65.00	70.00
1933-D Oregon.....			165.00	185.00
1934-D Oregon.....			60.00	65.00

	Extra fine	About uncirculated	Brilliant uncirculated price range	
1936 Oregon.....			\$50.00	\$65.00
1936-S Oregon.....			125.00	150.00
1937-D Oregon.....			60.00	65.00
1938 Oregon Set PDS.....			165.00	175.00
1939 Oregon Set PDS.....			425.00	475.00
1927 Vermont.....	\$30.00	\$45.00	80.00	85.00
1923 Hawaiian.....	450.00	550.00	1,050.00	1,150.00
1934 Boone.....			40.00	45.00
1935 Boone.....			40.00	45.00
1935 Boone Set PDS.....			140.00	150.00
1935 Boone Set Sm.....	4.00		1,100.00	1,200.00
1936 Boone Set PDS.....			140.00	150.00
1937 Boone Set PDS.....			425.00	450.00
1938 Boone Set PDS.....			775.00	825.00
1934 Maryland.....	25.00	35.00	60.00	65.00
1934 Texas.....	15.00	20.00	35.00	40.00
1935 Texas Set PDS.....			115.00	120.00
1936 Texas Set PDS.....			115.00	120.00
1937 Texas Set PDS.....			135.00	145.00
1938 Texas Set PDS.....			325.00	350.00
1935 Arkansas Set PDS.....			125.00	130.00
1936 Arkansas Set PDS.....			125.00	130.00
1936 Arkansas Single.....			35.00	40.00
1937 Arkansas Set.....			130.00	140.00
1938 Arkansas Set PDS.....			300.00	325.00
1939 Arkansas Set PDS.....			925.00	950.00
1935 Connecticut.....			135.00	145.00
1935 Hudson.....			650.00	700.00
1935-S San Diego.....	15.00	22.50	40.00	45.00
1936-D San Diego.....			55.00	60.00
1935 Spanish Trail.....			475.00	525.00
1936 Albany.....			120.00	130.00
1936 Bridgeport.....			52.50	60.00
1936 Cincinnati Set.....			850.00	900.00
1936 Cincinnati Single.....			275.00	300.00
1936 Cleveland.....	12.00	17.50	27.50	32.50
1936 Columbia Set PDS.....			400.00	425.00
1936 Columbia Singles.....			130.00	140.00
1936 Delaware.....			80.00	85.00
1936 Elgin, Ill.....			70.00	75.00
1936 Gettysburg.....			72.50	77.50
1936 Long Island.....	15.00	22.50	37.50	42.50
1936 Lynchburg.....			100.00	110.00
1936 Norfolk.....			120.00	130.00
1936 Rhode Island Single.....			45.00	50.00
1936 Rhode Island Set.....			135.00	145.00
1936 Robinson.....			55.00	60.00
1936 San Francisco.....			50.00	55.00
1936 Wisconsin.....			67.50	72.50
1936 York County.....			62.50	67.50
1937 Antietam.....			190.00	210.00
1937 Roanoke.....			67.50	72.50
1938 New Rochelle.....			155.00	165.00
1946 Iowa.....			38.00	42.00
1946 B.T. Washington (3).....			24.00	27.00
1946 B.T. Washington (1).....			7.50	8.50
1947 B.T. Washington (3).....			45.00	50.00
1948 B.T. Washington.....			67.50	72.50
1949 B.T. Washington.....			100.00	110.00
1950 B.T. Washington.....			80.00	85.00
1951 B.T. Washington.....			80.00	85.00
1951 Wash.-Carver (3).....			50.00	55.00
1951 Wash.-Carver (1).....			7.00	8.00
1952 Wash.-Carver.....			60.00	65.00
1953 Wash.-Carver.....			95.00	100.00
1954 Wash.-Carver.....			50.00	55.00

## COMMEMORATIVE GOLD COINS

1903 Louisiana Purchase Jefferson \$1.....	\$85.00	\$110.00	\$195.00	\$210.00
1903 Louisiana Purchase McKinley \$1.....	75.00	100.00	185.00	200.00
1904 Lewis & Clark \$1.....	300.00	450.00	775.00	825.00
1905 Lewis & Clark \$1.....	275.00	400.00	765.00	815.00
1915 Pan-Pacific \$1.....	75.00	100.00	195.00	210.00
1915 Pan-Pacific \$2½.....	250.00	350.00	690.00	725.00
1916 McKinley \$1.....	65.00	80.00	150.00	160.00
1917 McKinley \$1.....	80.00	100.00	225.00	250.00
1922 Grant Star \$1.....	175.00	250.00	465.00	500.00
1922 Grant Plain \$1.....	185.00	265.00	485.00	515.00
1926 Sesqui \$2½.....	55.00	75.00	125.00	135.00

From comments made by some congressmen during appropriations hearings, we are aware that making a profit from the sale of collector coinage is not exactly distasteful. However, our mail reflects a growing buyer resistance to some items offered through the current numismatic sales program, particularly the \$10 Eisenhower Proof dollar, and the use of its profits for the Eisenhower College and Rayburn library, a measure already approved by the Senate before the Sub-committee was formed.

We have applied the terms, "gouging" and "inflationary," to the \$10 Eisenhower Proof dollar price since it was first announced. We see no reason to change our position. We were sorry to learn recently that the price is to remain at \$10 for 1973 Eisenhower dollar coins, despite former Secretary of the Treasury John Connally's pronouncement that the profits were unconscionable. We predict a buyer resistance in 1973, more drastic than that of 1972. The number of Proof dollars ordered dropped from 4.2 million in 1971 to 1.7 in 1972.

It is conceivable, however, that popularity of the 1973 Eisenhower silver dollar issues will revive among collectors should they decide Bureau of the Mint production figures for the 1973 cupro-nickel dollar indicates a low mintage.

Through April of 1973, only 3.3 million cupro-nickel dollars were minted. At the end of April a year ago, the Mint had produced a total of 95.1 million cupro-nickel dollars.

If Congress decides to give away \$1 from the sale of each of the Proof 40% silver Eisenhower dollars, there will be a great hue and cry from the coin-collecting fraternity. This has already started, based on our reader mail.

There will be a revival, we fear, of demands to cut the price and make refunds to the collectors.

We assume colleges bearing the name of Lincoln, Jefferson, Roosevelt, Washington and Kennedy will come in for their share of the sale of Proof and Uncirculated coin sets since they contain coins bearing the portraits of their namesakes.

In the list of medals presently being studied in the Congress, it is the opinion of our staff that Jim Thorpe and J. Edgar Hoover qualify as national heroes, and the 100th anniversary of Colorado, one of the 50 United States of America, is of national significance.

With your permission, I will include other relative Coin World editorials on the matters you are considering.

Thank you for your kind attention. As a numismatic journalist, I would like to report our unique hobby-science-industry considers it highly significant that this distinguished subcommittee was formed to study affairs of coinage and minting. Your fairness, awareness and desire for communication, as evidenced by this hearing, foretells a great good for the future of Numismatics, U.S.A.

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[From Coin World, May 23, 1973]

#### A CALL TO BATTLE

Coin collectors have one last chance to stop millions of their dollars going to Eisenhower college in Seneca Falls, N.Y., and the Rayburn library in Texas.

Congress is sensitive to mail. This will be our only opportunity to stop what is shaping up to be a juggernaut, a bill to give \$1 from the sale of each 40 per cent silver \$10 Proof Eisenhower dollar coin to the Eisenhower college in Seneca Falls, N.Y.

Unless we protest with an immediate substantive barrage of mail, we believe Congress will find it hard to resist the internal lobbying plus magic of the names now associated with the proposal—Congressman Wright Patman, chairman of the House Banking and Currency Committee; the late Sam Rayburn, Mamie, John and Milton Eisenhower, Generals Norstad and Gruenther.

We discovered last week in Washington the Eisenhower college officials had made a "deal" with the Samuel Rayburn library in Bonham, Texas, to share also in the coin collectors' money—the Rayburn library is to get one-tenth of what the Eisenhower college would get from the Ike dollar sales. This "agreement" was drawn up March 23, 1973, by a Bonham, Texas, law firm, but received little publicity to our knowledge until now.

Those dollar profits, now about \$6 million, could be mighty slim in the future if our Coin World mail is an indication of buyer resistance to the Proof Eisen-

hower dollars, both because of the \$10 price per coin, and now, a fracturing, profit-splitting deal between two institutions bearing the names of two great men who would be embarrassed and humiliated at such a gimmicky grab for operating funds.

We are unable to determine whether such "grant passing" between the college and the library is legal—whether Congress can, by law, give an unspecified amount of money to a college, and then allow it to give money, in turn, to another institution.

It remains a mystery to us why the Treasury Department, after beating around the bush in bureaucratic language in a May 1 position paper, gives a timorous endorsement by saying "should Congress after hearings and through consideration of the matter conclude that the proposed legislation is worthwhile, the Department would have no objection to its enactment."

We urge immediate letters expressing opposition to the bill to the following members of the House Banking and Currency Committee. All of them can be addressed at Suite 2129, Rayburn House Office Building, Washington, D.C. 20515:

Democrats: Wright Patman, Texas, chairman; William A. Barrett, Pa.; Leonor K. Sullivan, Mo.; Henry S. Reuss, Wis.; Thomas L. Ashley, Ohio; William S. Moorhead, Pa.; Robert G. Stephens, Jr., Ga.; Fernand J. St Germain, R.I.; Henry B. Gonzalez, Texas; Joseph G. Minish, N.J.; Richard T. Hanna, Calif.; Thomas S. Gettys, S.C.; Frank Annunzio, Ill.; Thomas M. Rees, Calif.; James M. Hanley, Frank J. Brasco, Edward K. Koch, N.Y.; William R. Cotter, Conn.; Parren J. Mitchel, Md.; Walter E. Fauntroy, D.C.; Andrew Young, Ga.; John Moakley, Mass.; Fortney T. Stark Jr., Calif.; Corinne C. Boggs, La.

Republicans: William B. Widnall, N.J.; Albert W. Johnson, Pa.; John W. Stanton, Ohio; Benjamin B. Blackburn, Ga.; Garry E. Brown, Mich.; Lawrence G. Williams, Pa.; Chalmers P. Wylie, Ohio.

Margaret M. Heckler, Mass.; Philip M. Crane, Ill.; John H. Rousselot, Calif.; Stewart B. McKinney, Conn.; Bill Frenzel, Minn.; Angelo Roncallo, N.Y.; John B. Conlan, Ariz.; Clair W. Burgener, Calif.; Matthew J. Rinaldo, N.J.

A letter to your congressman, if he is not on this committee, is important, also.

If the Treasury Department is willing to let go of any of its unconscionable profits on the Ike dollar, we insist the coin collector who buys the coins should be favored with a lower price.

Dwight Eisenhower made it known he wanted a living memorial, not just brick, mortar and stone. He got his wish—and \$5 million to achieve it. Somehow we believe he would be satisfied . . .

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[From Coin World, June 6, 1973]

#### JUST FOR THE RECORD . . .

Lest the numismatic community think its representatives on the American Revolution Bicentennial Commission's Coins and Medals advisory panel sold it down the river, we would like to clarify the record.

The advisory panel recommended that all circulating U.S. coins be changed to a significant Bicentennial theme in commemoration of the nation's 200th birthday in 1976. (It also recommended an item of paper money.)

The 50-member ARBC also approved this recommendation, and announced its endorsement of a coinage change publicly. (The ARBC never released its reports until they were accepted at the White House, so this indicated someone there had approved.)

It was with surprise and dismay that members of the Coins and Medals panel heard Hugh Hall, acting director of the floundernig ARBC, tell Congresswoman Leonor K. Sullivan's Consumer Affairs Committee during recent hearings on Bicentennial coinage, that from "our" discussions "we" are satisfied H.R. 5244 (to change only the reverses of the dollar and half dollar) can fulfill "many of our original goals"—public exposure and artistic quality in the Bicentennial program.

We have yet to determine who the "our" and "we" are, the commissioner or staff member with such omnipotence that "he" or "they" would reverse the main Commission and the Coins and Medals panel without advising any member or its chairman, Eric P. Newman.

In fairness to Hugh Hall, he did refer to the original recommendations of the panel, and offered to submit for the record those recommendations, if Congresswoman Sullivan's committee "so desired." But he did not include them in his testimony.

If it were not for Mint Director Mary Brooks and her initiative, together with the respect and contacts she has on Capitol Hill, we would not have anything going at all in the way of Bicentennial coinage.

Furthermore, although ARBC listened and profited to the tune of millions of dollars to the Coins-Medals panel's medal-philatelic-numismatic recommendations, we are sorry to realize nothing from the profits for numismatics.

Recently \$600,000 of the money we helped produce went to National Endowments for the Arts and Humanities and National Science Foundation. These were profits from the ARBC medals-PNC sale and are supposed to be matched for Bicentennial programs. We also see by the papers the National Endowment for the Humanities will be giving \$79,675 to index Moravian music; \$31,912 to microfilm archives of the island of Malta and \$7,857 to study how "children at play utilize the urban environment as a theatrical and mythical arena."

Wonder if there is any money left—or whether the Bicentennial agency or the Endowment agencies would care to share with the American Numismatic Society and the American Numismatic Association for a Spirit of '76 numismatic program? That's what this is all about—we think!!

Just as we never lost hope for Bicentennial coinage, we still have faith there will be Bicentennial paper money to round out the Spirit of '76 numismatic program. The ARBC medals and Philatelic-Numismatic Combinations program is already in a second-year program stage.

Again, the numismatic world may need to concede to practicality, although presently it is opting for revival of Fractional Currency—and a \$2 Federal Reserve-Bicentennial note. Realism may require the Fractional Currency to be incorporated in a kind of souvenir item. This would leave the \$2 note the ideal, official paper money Bicentennial item, produced under the artistry and security of the Bureau of Engraving and Printing.

Just as the War of the Revolution was won with a succession of struggles, so it seems the numismatic program of the American Revolution Bicentennial is forming, in stages, each with its own excitement, each appealing to the collectors in a different and stirring way.

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[From Coin World, May 31, 1972]

#### TEN DOLLARS IS TOO HIGH!

Secretary of the Treasury John B. Connally resigns, George P. Shultz is designated to take his place, gold prices climb to a new high, that new collecting hybrid, the PNC, bursts upon the scene in a federal blaze of red, white and blue—official, congressionally-sanctioned philatelic-numismatic combinations, medals and stamps on and in covers to commemorate Transpo '72 and the year, 1972, of the Bicentennial era!

Wire services quote the resigning Treasury chief as calling Eisenhower silver dollar profits "unconscionable". It would appear he, being a forthright and very direct gentleman, wanted to get this point across before he left, off HIS conscience, perhaps, before he left.

The Mint statisticians, by combining cost and sales figures for both the \$10 Proof and the \$3 Uncirculated specimens have come up with a \$3.89 per coin profit for a total of \$40.4 million plus on 10 million-plus 1971 collector coins. The per coin profit does not sound as excessive as the grand total of \$40.4 million plus!

Collectors, dealers, numismatic observers and writers have censured the \$10 Proof coin cost from the beginning. Coin World said editorially February 17, 1971, that the Ike Proof coins were too high and maintained that position. Among other objections, we termed the price "a gouging, inflationary kind of profiteering." It is small comfort that a year and three months later a resigning Treasury secretary agrees publicly, even surprising the senators who were listening to his testimony with his candor!

We are now in the second year of Eisenhower silver dollar purchase. A total of 3,858,626 Proof dollars were sold at \$10 each the first year of issue. Resale

value of these coins in some markets has dropped to \$9 per coin. We will watch with sharp interest the 1972 sales figures.

Will anything be done about the \$10 Proof silver Eisenhower dollar price? All we can do is hope! Could Secretary Connally's attitude be a straw in the wind? We're still remembering, painfully, a certain congressional attitude and a lawmaker who testified he was rubbing his hands with glee at the profits to be yielded by the collector coins. Other price defenders, in the minority, incidentally, say the U.S. might as well reap these profits, rather than some of the collector-coin producing nations in other parts of the world.

We are willing to give the Mint a fair shake when it comes to costs of production and distribution. But if the Secretary of the Treasury says the profits are too high, even if he says it and runs, then we believe somebody ought to take another look at the price structure.

The Mint with its proficient technicians has emerged from the shakedown year of production with smooth production and packaging of the dollar. Knowing Mint Director Mary Brooks and her willingness to listen to, and oblige the coin collector, we can only hope the door of objection to the high cost of the Proof Ike dollar opened by Secretary Connally will remain open for a new look at that \$10 price.

[From Coin World, May 9, 1973]

#### WE LIKED IKE, BUT . . .

We are against giving \$1 from the sale of each Eisenhower silver dollar coin to the Seneca Falls, N.Y., college which bears the Eisenhower name.

A new bill to authorize what could amount to a \$150,000,000 gift to the college was introduced in the House April 19 by no less a personage than the Hon. Wright Patman himself, chairman of the House Banking and Currency committee.

If Uncle Sam is going to let loose of any of the exorbitant profits he makes from the sale of those overpriced Ike dollars, we say it should come the way of those who pay out their hard-earned, tight, tax- and inflation-riddled money to buy the coins. "Unconscionable" was the word Secretary of the Treasury John Connally had for the unreasonable profits.

Since the proposal calls for funds to go to the college retroactively, this means already over \$6,000,000 of collector's money would be committed. We say purchasers of Ike dollars have every right to wage a campaign for refunds, beginning with 1971, if such legislation passes.

Our sympathy for the Treasury at the mammoth task of making refunds has dissolved into thin air, especially since there is every indication the measure is administration, and thus Treasury, blessed.

The Treasury failed to register objections when a similar bill was introduced last year, although it did point out, cautiously, certain appropriation machinery would need to be legislated.

It is inconceivable to us after a thorough airing at the May hearings before Congresswoman Leonor K. Sullivan's committee on Consumer Affairs that the Eisenhower college-dollar profit bill would receive favorable action. But strange things do happen in Washington.

We predict, if it does, the greatest numismatic buyer resistance in the Mint's history, and that it will take far more than the estimated 10 years to sell the remaining 144 million 40 per cent silver dollars authorized by law to the coin collectors. They were already nettled enough to cut their purchases back substantially in 1972.

We have no wish to detract from the memory of the late President-General, nor do we wish to downgrade his college. But if sentimentality overrules practicality and fairness in Congress, and this measure becomes law, then we believe further that the many colleges and universities bearing the name of Kennedy, Washington, Roosevelt, Jefferson and Lincoln will have special license to demand proceeds from the same of collector coinage sets bearing the portraits of their namesakes.

Like a lot of people we know, we will forego our annual token purchase of Eisenhower dollars, take the money and send it to a wonderful university, one of our choice, nestling in the south hills of Ohio.

[From *Coin World*, March 21, 1973]

## NUMISMATIC BOMB BURSTS

Red, white and blue spirals scattered spangled stars in their wake. Bright whorls dazzled as they burst over the beautiful old Greek Revival Treasury Department building in Washington, Monday, March 5.

It was all figurative, of course, in the minds of the coin collectors, but cause for a big celebration rivaling two hundred Fourths of July. A lady, scintillating like a sparkler, Mint Director Mary T. Brooks, announced to the world a proposed historic precedent in the coinage of the United States: A change of design for the U.S. dollar and half dollar coins to commemorate the Bicentennial of the American Revolution.

All of this is, of course, to come about if Congress is willing. Would it dare be otherwise as the nation's 200th birthday fast approaches, and as idealists reach longingly for a return to the original Spirit of '76?

Numismatists were beginning to get a bit peevish and testy, some hang-doggish with little hope, at the seemingly cold reception of the Treasury to a coinage change for 1976 to celebrate the birthday of the greatest nation in the world. A stiff, tired position on commemorative coinage was used by the Treasury in answer to mounting inquiries about the possibility of Bicentennial coinage.

Mint Director Mary Brooks, with her intense commitment to history and her sense of devotion to her country, began a quiet—very quiet—series of conversations with top Treasury and key administration officials in an effort to develop something in the way of a Bicentennial coinage program, sensible from the standpoint of a coin-gobbling economy, one that would honor the Bicentennial, but not create Instant Coin Shortage.

Once the decision to select two coins with the least demand, the dollar and half dollar, was made, Secretary of the Treasury George P. Shultz put machinery into motion to enlist Congress for enactment of enabling legislation to produce the two Bicentennial coins. This seems to be inevitable and speedy, although coin collectors may wonder what happened to the recommendation of the American Revolution Bicentennial Commission's Coins and Medals advisory panel for all designs of circulating U.S. coins be changed in honor of the Bicentennial.

While this would be ideal from the standpoint of the numismatic community, and one which many feel the proper way to go, it appears from a coin production and coin demand standpoint, a complete change is not feasible or practical, the Mint says. Without Treasury endorsement, changes in coinage have little hope of being legislated; witness the dormancy of commemorative coinage for 19 years after the Treasury voted thumbs down, despite frequent efforts to revive it.

We like the Mint's enlistment of the National Sculpture Society to conduct the Bicentennial coinage designs competition. It seems to us both democratic and logical. We believe it will guarantee both freshness and a highly professional approach to two of the most historic coins in the 20th century.

We congratulate the Mint, its imaginative director and her hardworking staff, for the Bicentennial coinage package which went to top echelon administration and Treasury officials. We appreciate the latter's wisdom in sanctioning it as a sensible solution to a demand situation. It is unthinkable that the greatest and most affluent nation would ignore the opportunity to reaffirm its principles by means of the historic device of coinage—reaching as far as the corners of the world, yet as near as Everyman's pocket.

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 MODERN WORLD COMMEMORATIVE COINS

In modern times, some 57 nations have issued commemorative coins for Centennials, Sesquicentennials and such events.

Germany honored several of its cities on the occasion of their Millennium (1,000th anniversary). These were Nordhausen in 1927, Dinkelsbuhl in 1928 and Meissen in 1929, each memorialized on silver three or five-mark coins.

More recently Canada in 1967 honored its own Centennial of Confederation with a whole series of coins, notes and official medals. Issued were special-design cent, five-cent, 10-cent, 25-cent, 50-cent and dollar coins; a special \$20 gold coin; commemorative one-dollar bank notes in two different types—with serial numbers and with dates 1867-1967; and official 100th anniversary medals.

In 1971 Brazil issued special commemorative coins in gold, silver and pure nickel to honor the Sesquicentennial of its independence from Portugal, 1822-1972. The coins were a gold 300-cruzeiros, silver 20-cruzeiros and pure nickel one-cruzeiro.

Israel is issuing special 10-lirot silver coins, special six-coin minor sets and official medals in platinum, silver and bronze to mark its 25th anniversary of independence in 1973.

A listing of recent national founding commemorative coins follows. Almost all such issues have appeared since 1900, when the theory of governmental commemorative coins started to take hold.

## ALBANIA

*Twenty-fifth anniversary of independence.*—Features portrait of King Zog, who seized the presidency of Albania in 1925 and proclaimed himself King in 1928. He fled during the Italian invasion in 1939. One franka ari, 1937, silver; 20 franka ari, 1937, gold; 2 franka ari, 1937, silver; and 100 franka ari, 1937, gold.

*Twenty-fifth anniversary of liberation.*—5 quindarka, 1969, aluminum; 20 quindarka, 1969, aluminum; 50 quindarka, 1969, aluminum; 1 lek, 1969, aluminum; and 10 quindarka, 1969, aluminum.

## ALGERIA

*Tenth anniversary of independence and FAO.*—5 dinars, 1972, silver; 1 dinar, 1972, cupronickel; and 20 centimes, 1972, brass.

## ANGUILLA

*Independence.*—100 dollars, 1967, gold.

## ARGENTINA

*Sesquicentennial of independence.*—10 pesos, 1966, nickel-clad steel.

## AUSTRIA

*Fiftieth anniversary of the Republic.*—50 schilling, 1968, silver.

## BELGIUM

*Fiftieth anniversary of independence.*—Obverse features portraits of Leopold I and Leopold II. Leopold I was the first king of the independent monarchy. Leopold II reigned during the issuance of this coin. 1 franc, 1880, silver and 2 francs, 1880, silver.

*Centennial of independence.*—Portrays Leopold I and Leopold II with Albert I, nephew of Leopold II and successor to the throne, 10 francs/2 belgas, 1930, nickel.

## BERMUDA

*Three hundred and fiftieth anniversary of founding.*—Features portrait of Elizabeth II: 1 crown, 1959, silver.

## BIAFRA

*Second year of independence.*—25 pounds, 1969, gold; 10 pounds, 1969, gold; 5 pounds, 1969, gold; 2 pounds, 1969, gold; and 1 pound, 1969, gold.

## BOTSWANA

*Independence.*—Portrays Seretse Khama, President: 50 cents, 1966, silver.

## BRAZIL

*Centennial of independence.*—Portrays Dom Pedro, who proclaimed Brazil's independence, and President Pessoa: 500 reis, 1922, aluminum-bronze; 1,000 reis, 1922, aluminum-bronze; 500 reis, 1922 (BBASIL), aluminum-bronze; 1,000 reis, 1922 (BBASIL), aluminum-bronze; and 2 milreís, 1922, silver.

*One hundred and fiftieth anniversary of independence.*—Portrays Pedro I, first ruler of Brazil and President General Emilio Garrastazu Medici : 1 cruzeiro, 1972, nickel ; 20 cruzeiros, 1972, silver ; and 300 cruzeiros, 1972, gold.

## BURUNDI

*Independence, 1962.*—Portrays Mwambutsa IV, first king of the independent monarchy : 100 francs, 1962, gold ; 50 francs, 1962, gold ; 25 francs, 1962, gold ; and 10 francs, 1962, gold.

## CAMEROON

*Independence, 1960.*—50 francs, 1960, copper-nickel.

*Tenth anniversary.*—20,000 francs, 1970, gold ; 10,000 francs, 1970, gold ; 5,000 francs, 1970, gold ; 3,000 francs, 1970, gold ; and 1,000 francs, 1970, gold.

## CENTRAL AFRICAN REPUBLIC

*Tenth anniversary of independence.*—Portrays Jean Bedel Bokosso, who was proclaimed president-for-life March 8, 1972 : 20,000 francs, 1970, gold ; 10,000 francs, 1970, gold ; 5,000 francs, 1970, gold ; 3,000 francs, 1970, gold ; and 1,000 francs, 1970, gold.

## CHINA, NATIONALIST

*Sixtieth anniversary of the founding of China.*—President Chiang Kai-shek : 50 yuan, 1971, silver.

## CONGO

*Fifth anniversary of independence.*—Portrays President Joseph Kasa : 100 francs, 1965, gold ; 50 francs, 1965, gold ; 25 francs, 1965, gold ; 20 francs, 1965, gold ; and 10 francs, 1965, gold.

## CUBA

*Fiftieth year of Republic.*—10 centavos, 1952, silver ; 20 centavos, 1952, silver ; and 40 centavos, 1952, silver.

## CZECHOSLOVAKIA

*Tenth anniversary of independence.*—Portrays Thomas G. Masaryk, first president of Czechoslovakia. 10 korun, 1928, silver.

*Fiftieth anniversary of the Republic and twentieth anniversary of People's Republic.*—50 korun, 1968, silver.

*Twenty-fifth anniversary of the Republic.*—50 korun, 1973, silver.

## DOMINICAN REPUBLIC

*Centenary of the Republic.*—1 centavo, 1963, bronze ; 5 centavos, 1963, copper-nickel ; 10 centavos, 1963, silver ; and one-half peso, 1963, silver.

*One hundred twenty-fifth anniversary of the Republic.*—1 peso, 1969, copper-nickel.

## EAST AFRICA

*First independence.*—10 cents, 1964, bronze and 5 cents, 1964, bronze.

## FIJI

*Independence.*—1 dollar, 1970, silver.

## FINLAND

*Fiftieth anniversary of independence.*—10 markkaa, 1967, silver.

## GABON

*Independence.*—10 francs, 1960, gold ; 25 francs, 1960, gold ; 50 francs, 1960, gold ; and 100 francs, 1960, gold.

## GUINEA

*Tenth anniversary of independence.*—500 francs, 1969, silver—Olympic rings ; 250 francs, 1969, silver—Alpha Yaya Diallo ; 250 francs, 1969, silver—Man on the moon ; 200 francs, 1969, silver—John F. and Robert F. Kennedy ; and 200 francs, 1969, silver—Almany Samory Toure.

## HONDURAS

One hundred and fiftieth anniversary of independence.—100 lempiras, gold, 1971; 50 lempiras, gold, 1971; 20 lempiras, gold, 1971; 10 lempiras, gold, 1971; 5 lempiras, silver, 1971—Jose Cecilio del Valle; 2 lempiras, silver, 1971—Francisco Morazan; 1 lempiras, silver, 1971—Dionisio de Herrera.

## INDIA

Twenty-fifth anniversary of independence.—10 rupees, 1972, silver; and 50 paise, 1972, cupronickel.

## IRAN

Twenty-five centuries since foundation of Persian monarchy.—2,000 rials, 1971, gold—Imperial couple; 1,000 rials, 1971, gold, Ruins of Persepolis; 750 rials, 1971, gold, Cylinder of Cyrus; 500 rials, 1971, gold, Winged Griffin; 200 rials, 1971, silver, Imperial Couple; 100 rials, 1971, silver, Ruins of Persepolis; 75 rials, 1971, silver, Cylinder of Cyrus; 50 rials, 1971, silver, Winged Griffin; and 25 rials, 1971, silver, Column Persian.

## ISRAEL

Tenth anniversary of independence.—5 pounds (Menorah), 1958, silver.  
 Eleventh anniversary of independence.—5 pounds, 1959, silver.  
 Twelfth anniversary of independence.—5 pounds, 1960, silver and 20 pounds, 1960, gold.  
 Thirteenth anniversary of independence.—5 pounds, 1961, silver.  
 Fourteenth anniversary of independence.—5 pounds, 1962, silver.  
 Fifteenth anniversary of independence.—5 pounds, 1963, silver.  
 Sixteenth anniversary of independence.—5 pounds, 1964, silver.  
 Seventeenth anniversary of independence.—5 pounds, 1965, silver.  
 Eighteenth anniversary of independence.—5 pounds, 1966, silver.  
 Nineteenth anniversary of independence.—5 pounds, 1967, silver.  
 Twentieth anniversary of independence.—10 pounds, 1968, silver; 100 pounds, 1968, gold.  
 Twenty-first anniversary of independence.—10 pounds, 1969, silver; 100 pounds, 1969, gold.  
*Twenty-second anniversary of independence.*—10 pounds, 1970, silver.  
*Twenty-third anniversary of independence.*—10 pounds, 1971, silver.  
*Twenty-fourth anniversary of independence.*—10 pounds, "mem-mark", 1972, silver and 10 pounds, "Star of David mintmark", 1972, silver.  
*Twenty-fifth anniversary of independence.*—1 agora, 1973, aluminum; 5 agorot, 1973, cupronickel; 10 agorot, 1973, cupronickel; 25 agorot, 1973, cupronickel; ½ pound, 1973, cupronickel; 1 pound, 1973, cupronickel; 5 pounds (Chanukah), 1973, silver; 10 pounds (Pidyon Haben), 1973, silver; 50 pounds, 1973, gold; 100 pounds, 1973, gold; and 200 pounds, 1973, gold.

## JAMAICA

*Tenth anniversary of independence.*—10 dollars, 1972, silver—Portrays Alexander Bustamante, first Prime Minister of Jamaica and Norman W. Manley, statesman and 20 dollars, 1972, gold.

## LESOTHO

*Independence.*—Portrays King Moshoeshoe (Moshesh) founder of the Basuto nation: 4 maloti, 1966, gold; 2 maloti, 1966, gold; 1 maloti, 1966, gold; 50 licente, 1966, silver; 20 licente, 1966 silver; 10 licente, 1966, silver; and 5 licente, 1966, silver.

## LITHUANIA

*Twentieth anniversary of founding.*—Portrays Antanas Smetona, provisional president: 10 litu, 1938, silver.

## MALAGASY REPUBLIC

*Tenth anniversary of independence.*—20 francs, 1970, cupro-aluminum; 10 francs, 1970, cupro-aluminum; and 5 francs, 1970, chrome steel.

## MALAWI

*Republic day.*—Portrays president, Dr. Hastings Kamuzu Banda; 1 crown, 1966, copper-nickel-zinc.

## MALI

*Independence.*—Portrays President Modibo Keita: 10 francs, 1960, silver.

## MAURITIUS

*Third anniversary of independence.*—Portrays Queen Elizabeth II: 10 rupees, 1971, copper-nickel; 10 rupees, 1971, silver; and 200 rupees, 1971, gold.

## MEXICO

*Independence centennial.*—50 pesos, 1921, gold; and 2 pesos, 1921, silver.

## MONGOLIAN PEOPLE'S REPUBLIC

*Fiftieth anniversary of founding of the Republic.*—1 tukhrik, 1971, aluminum-bronze.

## NETHERLANDS

*Twenty-fifth anniversary of liberation.*—Portrays Queen Juliana and Queen Wilhelmina: 10 gulden, 1970, silver.

## NIGER

*Fifth anniversary of independence.*—Portrays President Diouri Hamani: 100 francs, 1960, gold; 50 francs, 1960, gold; 25 francs, 1960, gold; and 10 francs, 1960, gold.

## NORWAY

*Independence 1905.*—2 kroner, 1906, silver; 2 kroner, 1907, silver.

*Twenty-fifth anniversary of liberation.*—Portrays Haakon VII, king during the liberation and Olav V, present ruler: 25 kroner, 1970, silver.

## PANAMA

*Fiftieth anniversary of the Republic.*—Features Indian chief, Urraca, 16th century Indian hero; 1 centesimo, 1953, bronze. Portrays Balboa, national hero and early ruler of Panama: One-tenth balboa, 1953, silver; one-fourth balboa, 1953, silver; one-half balboa, 1953, silver; and 1 balboa, 1953, silver.

## PERU

*One hundred fiftieth anniversary of independence.*—Portrays Tupac Amaru, assumed name of Jose Gabriel Condorcanqui (1742-1781) "Last of the Incas": 5 soles, 1971, copper-nickel; 10 soles, 1971, copper-nickel; and 50 soles, 1971, silver.

## POLAND

*Twenty-fifth anniversary of the People's Republic.*—10 zlotych, 1969, nickel-brass.

## PORTUGAL

*Birth of the Republic.*—1 escudo, 1914, silver.

## RHODESIA

*Independence, 1965.*—Portrays Queen Elizabeth: 5 pounds, 1966, gold; 1 pound, 1966, gold; and one-half pound, 1966, gold.

## RWANDA

*Tenth anniversary of independence.*—Features Rwanda's President Gregoire Kayibanda receiving instruments of independence: 200 francs, 1972, cupronickel.

## SENEGAL

*Eighth year of independence.*—100 francs, 1968, gold; 50 francs, 1968, gold; 25 francs, 1968, gold; and 10 francs, 1968, gold.

## SIERRA LEONE

*Jubilee of independence.*—Proof set, 1964, consisting of leone, 20, 10, five cents, cupronickel; one and half cents, bronze.

*Fifth anniversary of independence.*—One-quarter golde, 1966, gold; one-half golde, 1966, gold; 1 golde, 1966, gold.

*First anniversary of Republic declared April 19, 1971.*—Portrays Siaka Stevens, first president of the republic: 50 cents, 1972, cupronickel.

## SINGAPORE

*One hundred fiftieth anniversary of founding.*—150 dollars, 1969, gold.

## SOMALIA

*Tenth anniversary of independence.*—500 shillings, 1970, gold; 200 shillings, 1970, gold; 100 shillings, 1970, gold; 50 shillings, 1970, gold; and 20 shillings, 1970, gold.

## SWAZILAND

*Independence, 1968.*—Portrays King Sobhuza II. 1 lilangeni, 1968, gold.

## SWITZERLAND

*Centennial of Swiss confederation.*—5 francs, 1948, silver.

## SYRIA

*Founding of the Republic.*—50 piastres, 1959, silver.

## TANZANIA

*Tenth anniversary of independence and FAO.*—Portrays Julius Nyerere, first president. 5 shillings, 1971, copper-nickel.

## TCHAD

*Tenth anniversary of independence.*—Portrays President Francois Tombalbaye: 20,000 francs, 1970, gold; Portrays General DeGaulle: 10,000 francs, 1970, gold; Portrays General Leclerc: 5,000 francs, 1970, gold; Portrays Gouverneur Eboue: 3,000 francs, 1970, gold; and Portrays Commandant Lamy: 1,000 francs, 1970, gold.

## TRINIDAD AND TOBAGO

*Tenth anniversary of independence.*—10 dollars, 1972, silver.

## TUNISIA

*Tenth anniversary of the republic.*—President Habib Bourguiba portrayed: 40 dinars, 1967, gold; 20 dinars, 1967, gold; 10 dinars, 1967, gold; 5 dinars, 1967, gold; 2 dinars, 1967, gold; and 1 dinar, 1967, silver.

## YUGOSLAVIA

*Twenty-fifth anniversary of the founding.*—Portrays President Tito: 1,000 dinars, 1969, gold; Features town of Jajce: 500, 1969, gold; Portrays President Tito 200, 1969, gold; Features town of Jajce 100, 1969, gold; Portrays President Tito: 50, 1969, silver; Features town of Jajce: 20, 1969, silver.

Senator HATHAWAY. Thank you.

Congressman Steven Symms. Congressman, it is a pleasure to have you with us.

**STATEMENT OF STEVEN SYMMS, A REPRESENTATIVES IN  
CONGRESS FROM THE STATE OF IDAHO**

Mr. SYMMS. Thank you very much, Senator.

Senator HATHAWAY. Without objection, your statement will be placed in the record (see p. 69).

Mr. SYMMS. Thank you, sir.

I would like to read my statement, but first, I would like to make just a couple of comments about the general money situation, and just say that in our overall world, we have seen the advent of what the wheel has done to physical sciences, in regard to all of the mechanical processes that have taken place, and we have seen what the zero has done to the abstract sciences, so we could actually have the mathematics necessary to have modern society, and I think that money is in the same position with regard to the social sciences.

It is the oil that lubricates our society, so to speak, and we must have a good, strong medium of exchange in order to have a working society, and I think the value of a currency of a society is indicative of the quality and the character of the society, and this is one of the reasons I am so enthusiastic about a commemorative coin, which will be able to celebrate the 200th anniversary of our great country.

I do appreciate the opportunity to join my Idaho Senators today in discussing with you the need for prestigious coins honoring the 200th birthday of the United States.

While there are endless technical questions that must be resolved, the real issue is an emotional one, and I will confine my brief remarks to that aspect.

You know, of course, that Idaho's Second District Congressman, Orval Hansen, and myself, are cosponsors of H.R. 8371 and H.R. 8384—measures identical in language to the McClure-Church proposals before you today.

You are also looking at another proposal—that of the Bicentennial Commission which would alter only the reverse sides of two coins and nothing more. What an empty gesture. What a pathetic tribute to 200 years of freedom and liberty that has brought hope to all the people of the world.

Where in this inadequate proposal do you find the triumphant note upon which America should close out its second century as a Republic which has been the bastion of freedom for the world.

I see in the mint's proposal the threat of a self-fulfilling prophecy. Look back into history at the telltale signs of a falling great Nation. It was coins, gentlemen, in each and every case, that provided historians with the first clue of a crumbling economy and national spirit.

Granted, coins are only indicators, and what happened to those nations may have been inevitable. But are we in the Congress going to say to the American public that we are unable or unwilling to treat the present symptoms in this Nation that have far-reaching historical significance?

If my argument seems farfetched, gentlemen, do you think this administration may be suffering from the same shortsightedness that struck the leaders of those historical empires?

America has suffered its growing pains, its wars, its economic ups and downs, and, like any nation can be expected to do.

But I don't recall a time when our people needed an emotional shot in the arm as much as they do today.

America's pride is tarnished. It's dirty linen is spread out for the world to see. We do need a rallying point, and our Bicentennial is tailor-made to restore national pride and spirit. Coins with real value and high quality are an essential part of this kind of national celebration.

Mr. Chairman, if we can settle this continent, establish the greatest technological empire in the world, and put a man on the Moon, we can work out the technical problems involved in issuing some hard money for our Bicentennial.

In fact, I don't believe we can afford not to.

That concludes my statement, Mr. Chairman, and in talking about this with many of my colleagues on the other side of the Congress, I find that one of their concerns is that all the Bicentennial coins would go underground and the paper money would drive the good money underground.

I think that is true, and that is simply a law of economics, called Gresham's Law, that as long as we have bad currency, by Government edict, the bad money will be used on the streets and drive the good money underground, but I don't think that that is the issue that is at stake here.

I think this gives the average people of America, the people who aren't rich, wealthy and powerful, the opportunity to acquire the new mintage of new coins that would make a lasting investment for them as well as a lasting commemorative coin, which would be a great tribute to our country.

I thank you, Mr. Chairman, for the opportunity to be here. If there are any questions, I will be happy to answer them.

Senator HATHAWAY. Congressman, you make a very good point, that has been made by others, that we do need to have some kind of centennial coin to commemorate this very important anniversary.

We have some practical problems with respect to the mint, which Mrs. Brooks has testified to, that to mint all of the denominations as advocated in your bill and Senator Church's and Senator McClure's, would be, as she testified, impossible.

She mentioned the dollar, the reverse side of the quarter, as about the limit of the capacity of the mint at the present time. And you can be sure that we will very shortly consider your proposal in light of her testimony, and that we will take action on it quite soon.

Thank you very much for your coming over here.

Mr. SYMMS. Thank you very much, sir.

[Complete statement of Mr. Symms follows:]

STATEMENT OF STEVEN SYMMS, REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

BICENTENNIAL COIN

Mr. Chairman, Members of the Committee—I appreciate this opportunity to join my Idaho Senators today in discussing with you the need for prestigious coins honoring the 200th birthday of the United States. While there are endless technical questions that must be resolved, the real issue is an emotional one, and I will confine my brief remarks to that aspect.

You know, of course, that Idaho's Second District Congressman, Orval Hansen, and myself are co-sponsors of H.R. 8371 and H.R. 8384—measures identical in language to the McClure-Church proposals before you today.

You're also looking at another proposal—that of the Bicentennial Commission which would alter only the reverse sides of two coins and nothing more. What an empty gesture. What a pathetic tribute to 200 years of freedom and liberty that has brought hope to all the people of the world. Where in this inadequate proposal do you find the triumphant note upon which America should close out its second century as a Republic which has been the bastion of freedom for the world.

I see in the Mint's proposal the threat of a self-fulfilling prophesy. Look back into history at the tell-tale signs of a falling great nation. It was the coins, gentlemen, in each and every case, that provided historians with the first clue of a crumbling economy and national spirit. Granted, coins are only indicators, and what happened to those nations may have been inevitable. But are we in the Congress going to say to the American public that we are unable or unwilling to treat the present symptoms in this nation that have far-reaching historical significance? If my argument seems far-fetched, gentlemen, do you think this Administration may be suffering from the same short-sightedness that struck the leaders of those historical Empires?

America has suffered its growing pains, its wars, its economic ups and downs, and like any nation can be expected to do. But I don't recall a time when our people needed an emotional shot in the arm as much as they do today. America's pride is tarnished. Its dirty linen is spread out for the world to see. We do need a rallying point, and our Bicentennial is tailor-made to restore national pride and spirit. Coins with real value and high quality are an essential part of this kind of national celebration.

Mr. Chairman, if we can settle this continent, establish the greatest technological empire in the world, and put a man on the moon, we can work out the technical problems involved in issuing some hard money for our Bicentennial. In fact, I don't believe we can afford not to.

Senator HATHAWAY. Mr. Walter Frankland, you are executive vice president of the Silver Users Association, Inc.; is that correct?

Mr. FRANKLAND. That is correct.

Senator HATHAWAY. Mr. Frankland, without objection, your statement will be placed in the record (see p. 72). You may proceed to summarize, if possible.

**STATEMENT OF WALTER L. FRANKLAND, JR., EXECUTIVE VICE  
PRESIDENT, SILVER USERS ASSOCIATION, ON BEHALF OF WIL-  
LIAM E. OLSON, PRESIDENT**

Mr. FRANKLAND. Yes, Mr. Chairman.

Senator HATHAWAY. We may have a problem, because there are other votes coming up on the floor shortly.

Mr. FRANKLAND. For the record, I would like to say that this is the statement of the president of the association, and as you indicated, it will be introduced in the record in its entirety.

Senator HATHAWAY. Yes.

Mr. FRANKLAND. At the same time, I would like to extract several points from it.

We do appreciate this opportunity to appear before this subcommittee in support of S. 1141. The members of the Silver Users Association consume at least 80 percent of the silver used industrially and for the arts in this country. Initially we had no plans for appearing in person to testify on S. 1141, since the only silver connected with this legislation includes that previously set aside for the Eisenhower dollar.

However, with the introduction of S. 1927 and S. 1928, we feel it necessary to introduce this brief statement and also to be available for questioning.

The position of the association can be summarized simply as opposing the use of silver in any coins of the United States.

As a rationale for that, I would like to say that experience has shown that the program to mint 40 percent silver Eisenhower dollars, has failed to meet the expectations of those who proposed this coin as commemorative.

Second, the U.S. Treasury currently has on hand approximately 45 million ounces of silver which could be used for a commemorative, or could be released to the market for sale.

Coins containing silver will not serve as a medium of exchange. No country is using silver in circulating coinage. Any diversion of silver from Government stocks to coinage would tend to reduce available supplies to the detriment of millions of consumers who use products containing silver.

The United States is a net importer of silver, since domestic manufacturers consume annually about 100 million ounces more than this country produces, and thus the sales of surplus Government silver will contribute to an improved balance of payments situation.

We do oppose the proposal in S. 1927 and S. 1928 for silver coins if silver other than that currently set aside in the Treasury for the Eisenhower dollar would be used.

In closing, I would like to point out that in the material that was prepared by the American Mining Congress supporting the proposal for additional silver to be committed to a bicentennial coin, the reference to a statement from the Silver Users Association must be put in proper context. The statement quoted as to adequate supplies for industrially needed silver was made under the assumption that silver would not be used in any expanded coinage program.

This completes my excerpts from the statement.

Senator HATHAWAY. What do you mean by any expanded coinage program?

Mr. FRANKLAND. By any program other than what we have now.

Senator HATHAWAY. Beyond what we have now?

Mr. FRANKLAND. That is correct.

The Eisenhower program that was established under Public Law 91-607.

I would also like to add that I understand there is a possibility that S. 1928 will be revised insofar as the silver content of that bill is concerned. If that is the case, after that revision, I would like an opportunity to comment further on that.

Senator HATHAWAY. Well, that may be difficult to do, because it might be changed in a markup session.

Mr. FRANKLAND. You mean on the silver content?

Senator HATHAWAY. It could be changed.

Mr. FRANKLAND. Well, we are available.

Senator HATHAWAY. You mean, you might change your testimony, if the percentage of the silver was lower?

Mr. FRANKLAND. We would like to know what kind of silver they are talking about in the bill. We are commenting on one that is 40 percent and uses a certain amount of silver.

Actually, the basic thrust of our statement is that if you use the silver that is in the Treasury at the moment, we do not object to the proposal.

Senator HATHAWAY. But, if you use any silver outside of that, you object to it?

Mr. FRANKLAND. We would strongly object, mainly because the impact of withdrawing additional supplies of silver from the market could cause further disruption in the already violently fluctuating silver market.

It is a matter of not enough silver being produced currently to meet the extreme demands industrially.

Senator HATHAWAY. Do you think the price will go up, or do you think you will experience an actual shortage?

Mr. FRANKLAND. Well, there have been examples of where just the mere mention of a coinage program does cause the price to go up, the mere mention of it.

To give you some examples of the volatile market, here in the statement we show that on January 24 the price was \$1.962 per ounce; and on March 1 it was \$2.575; on April 17, it went down to \$2.115; on June 4 it was back up to \$2.714; and, I understand today it may be down to \$2.60.

It is a very erratic market, and many additional use of silver in a coinage program could cause further stresses on these supplies.

Senator HATHAWAY. Yes, sir.

Well, thank you very much for your testimony.

Mr. FRANKLAND. Thank you.

[Complete statement of Mr. Olson follows:]

STATEMENT OF WILLIAM E. OLSON, PRESIDENT, SILVER USERS ASSOCIATION, INC.

Mr. Chairman and Members: I am William E. Olson, President of the Silver Users Association, Inc., 1717 K Street, N.W., Washington, D.C. and a Vice President of Minnesota Mining and Manufacturing Company. We appreciate the opportunity to appear before this subcommittee in support of S. 1141.

Members of the Silver Users Association consume at least 80 percent of the silver used industrially and for the arts in this country. A fact sheet on the Association as well as a list of the members are attached to this statement. Suffice to say, here, that member companies include domestic manufacturers of the full range of products which contain silver as an important raw material.

SILVER USERS ASSOCIATION SUPPORTS S. 1141

Initially, we had no plans to appear in person to testify on S. 1141 since the only silver connected with this legislation includes that previously set aside under PL 91-607 which authorized a limited issue of a 40 percent silver Eisenhower dollar. However, with the introduction of S. 1927 and S. 1928 which are being considered also at this time, on behalf of the membership and the millions of consumers who use products containing silver we deemed it appropriate to make this brief statement and to be available for questions.

The position of the Silver Users Association can be summarized simply as opposing the use of silver in any coins of the United States and supporting the government policy to release to the market silver excess to strategic needs. This long-standing position was recently reiterated in a Statement of Position on Silver adopted by the SUA Executive Committee and is stated in full as follows:

1. The Silver Users Association supports the silver policies of the United States to the extent that they call for the recognition of silver as a commodity vital to industry rather than as a monetary metal.

2. The Bylaws under which the Silver Users Association operates seek to prevent governmental measures which retard the free flow of silver in commerce

at prices governed by competition operating under the ordinary laws of supply and demand.

3. We urge the Government to dispose of its entire stocks of silver, except for that in the strategic stockpile, in a manner which would reduce dependence on imports thereby improving the United States balance of payments situation and would protect the interests of domestic manufacturers while avoiding a disruption in the silver market.

4. The Silver Users Association strongly supports the legislative proposal by the Administration to dispose of the silver surplus to stockpile requirements (HR 7153).

5. The Silver Users Association opposes any legislation calling for the minting of any U.S. coin containing silver.

#### RATIONALE FOR SILVER USERS ASSOCIATION POSITION

To explain further SUA position, we would offer the following rationale:

1. Experience has shown that the program to mint 40% silver Eisenhower dollars has failed to meet the expectations of those who proposed this coin as a commemorative. Although initially planned on a four-year basis, in 1971 and 1972, only 15 million coins have been minted because of a lack of demand.

2. The U.S. Treasury currently has on hand approximately 45 million ounces of silver which could be used for a commemorative coin or could be released to the market.

3. Coins containing silver will not serve as a medium of exchange. No country is using silver in circulating coinage.

4. Any diversion of silver from government stocks to coinage would tend to reduce available supplies to the detriment of millions of consumers who use products containing silver as shown in the following table prepared by the Bureau of Mines:

#### U.S. CONSUMPTION OF SILVER BY END USE

[Millions of Troy ounces]

Final use	1972	1971
Electroplated ware.....	12.6	10.9
Sterling ware.....	27.1	22.7
Jewelry.....	4.9	3.4
Photographic materials.....	38.2	36.1
Dental and medical supplies.....	2.0	1.5
Mirrors.....	1.2	1.1
Brazing alloys and solders.....	12.0	12.1
Electrical and electronic products:		
Batteries.....	5.6	5.7
Contact and conductors.....	33.0	27.9
Bearings.....	.3	.4
Catalysts.....	3.5	1.7
Miscellaneous <sup>2</sup> .....	6.4	5.6
Total <sup>3</sup> .....	146.8	129.1

<sup>1</sup> Preliminary.

<sup>2</sup> Includes silver-bearing copper, silver-bearing lead anodes, ceramic paints, etc.

<sup>3</sup> Totals may vary due to rounding-off.

5. The United States is a net importer of silver since domestic manufacturers consume annually about 100 million ounces more than this country produces and thus the sales of surplus government silver will contribute to an improved balance of payments situation.

6. In considering the appropriate size for a strategic stockpile, it should be pointed out that the United States, Mexico and Canada produce some 130 million ounces per year. Also, domestic industry stocks on hand in recent years have fluctuated between 45 and 85 million ounces.

#### SILVER USERS ASSOCIATION OPPOSES THE USE OF SILVER IN U.S. COINAGE

We oppose the proposal in S. 1927 and S. 1928 for silver coins if silver other than that currently set aside in the Treasury for the Eisenhower dollar would be used. The impact on the market of withdrawing additional supplies of silver

for such a coinage program could cause further disruption in the already violently fluctuating silver market.

SILVER IN COINAGE COULD CAUSE MORE MARKET VOLATILITY

To give the members of the committee an idea of the volatility of silver prices, here are some highs and lows since the first of the year :

	<i>Per ounce</i>
January 24, 1973-----	\$1. 962
March 1, 1973-----	2. 575
April 17, 1973-----	2. 115
June 4, 1973-----	2. 714

Members of the committee are reminded that for years until May 1967, the ceiling on the price of silver was \$1.29 per ounce because of the silver certificate exchange program. The mere mention of a plan to set aside large quantities of silver for coinage has caused big increases in silver prices as traded on the various exchanges.

AMERICAN MINING CONGRESS QUOTES SILVER USERS ASSOCIATION OUT OF CONTEXT

In the material prepared by the American Mining Congress supporting the proposal for additional silver to be committed to a bicentennial coin, references made to statements from the Silver Users Association must be put in proper context. The statement quoted as to adequate supplies for industrially needed silver was made under the assumption that silver would not be used in any expanded coinage program.

Mr. Chairman, we request that the complete statement together with the enclosures be included in the record. We are available for any questions. Thank you.

FACT SHEET: PURPOSE OF SILVER USERS ASSOCIATION, INC.

The Silver Users Association, Inc., established in 1947, represents the interests of corporations that make, distribute and sell products in which silver forms an essential part. Association membership today includes representatives from the photographic, electronic, chemical, silverware and jewelry industries; dental suppliers; producers of semi-fabricated and industrial products; and mirror manufacturers.

A major purpose of the Association is to keep its members and the public informed on the pertinent developments in the field of silver; such as, production, consumption, availability, uses, prices and legislation.

The applications of silver are highly diversified and range from photography to missiles; from computers to sterling jewelry. An approximate breakdown of the silver usage in the U.S. shows these percentages: photography, 28%; electrical and electronics, 26%; sterling ware, 16%; brazing alloys, 8%; electroplated ware, 8%; commemorative and collector arts, 7%; all others, such as jewelry, corrosive-resistant vessels, mirrors, dental and medical supplies and rockets and missiles, 7%.

The Association estimates that its members account for approximately 80% of all silver consumed in the United States. In terms of economic size, members range from Eastman Kodak Company to a small manufacturer of industrial products. More than 80,000 men and women work for Association members who are heavily dependent upon silver for manufacturing. In addition, there are about 1,000 firms of the Manufacturing Jewelers and Silversmiths of America and their 60-70,000 employees; the 8,000 members of the Retail Jewelers of America and their personnel; and the 21 members of the National Association of Mirror Manufacturers and their employees. The Association was incorporated in the District of Columbia in April, 1971.

President of the Silver Users Association, Inc., is Mr. William E. Olson, Vice President-Purchasing, Minnesota Mining & Manufacturing Company; Mr. Robert F. Wilson, President of Wallace Silversmiths, is Vice President. In addition to the President of the Association, other members of this committee are:

Mr. Al DiPiazza, Jr., Goldsmith Division, NL Industries, Inc.

Mr. J. Donald Fewster, Eastman Kodak Co.

Mr. Walter L. Frankland, Jr., Executive Vice President-Secretary, SUA, Inc.

Mr. J. J. Keenan, Engelhard Industries, Inc.

Mr. Robert Norris, E. I. du Pont de Nemours & Co, Inc.  
 Mr. Walter J. Robbie, Gorham.  
 Mr. William E. Smith, Dolan Bullock (Manufacturing Jewelers & Silversmiths of America, Inc.).  
 Mr. Francis H. Wemple, Handy & Harman (Treasurer, SUA, Inc.).  
 Mr. Denham C. Lunt, Jr., Lunt Silversmiths.

## MEMBERS

## PHOTOGRAPHIC MATERIALS

Eastman Kodak Co.—Rochester, N.Y.  
 GAF Corporation—New York, N.Y.  
 Kilborn Photo Products, Inc.—Cedar Rapids, Iowa.  
 Minnesota Mining & Manufacturing Co.—St. Paul, Minn.  
 Powers Chemco, Inc.—Glen Cove, N.Y.

## SILVERWARE

Gorham—Providence, R.I.  
 International Silver Co.—Meriden, Conn.  
 Samuel Kirk & Son, Inc.—Baltimore, Md.  
 Lunt Silversmiths—Greenfield, Mass.  
 Oneida Ltd.—Oneida, N.Y.  
 Reed & Barton Silversmiths—Taunton, Mass.  
 The Stieff Co.—Baltimore, Md.  
 Tiffany & Co.—New York, N.Y.  
 Towle Manufacturing Co.—Newburyport, Mass.  
 Wallace Silversmiths—Wallingford, Conn.

## FABRICATED AND INDUSTRIAL PRODUCTS

E. I. du Pont de Nemours & Co., Inc.—Wilmington, Del.  
 Engelhard Industries, Inc.—Newark, N.J.  
 Franklin Mint Corp.—Franklin Center, Pa.  
 Handy & Harman—New York, N.Y.  
 Midland Processing, Inc.—Pomona, N.Y.  
 Precision Metallurgical Corp.—Millis, Mass.

## CHEMICALS

NL Industries, Inc.—Chicago, Ill.

## DENTAL SUPPLIES

The L. D. Caulk Co.—Milford, Del.

## ASSOCIATIONS

Manufacturing Jewelers & Silversmiths of America, Inc.  
 National Association of Mirror Manufacturers.  
 Retail Jewelers of America, Inc.

Senator HATHAWAY. Mr. Philip Lindstrom, it is a pleasure to have you here. You are chairman of the Silver Committee of the American Mining Congress, and without objection your statement, entire statement, will be placed in the record (see p. 77), and I would hope that you would be able to summarize it, because there is another vote pending on the floor, and I am afraid at the next vote that I have to stay over there, because there is a series of amendments coming up between now and 6 o'clock that would necessitate my presence there rather than here.

So with that explanation, I hope I haven't inhibited you too much, but your entire statement of course, is before us. So if you could summarize it, I would appreciate it.

STATEMENT OF PHILIP LINDSTROM, HECLA MINING CO., ON  
BEHALF OF THE AMERICAN MINING CONGRESS

Mr. LINDSTROM. All right, Senator Hathaway. Thank you for the chance to be here. It is good of you to be so patient. I appear here to support legislation for the special coinage to commemorate the Bicentennial and I specifically have in mind a half-dollar made of cupronickel, a silver dollar, that is a copper and silver dollar made of clad material, like the Eisenhower silver dollar, but with reduced silver content.

Senator HATHAWAY. Well, what about the statement that the gentleman, Mr. Frankland, just made, that this would disrupt the silver market?

Mr. LINDSTROM. The silver that rests in Treasury, 45 million ounces, which is referred to in my statement, is available for coinage. We are not talking about any other silver in the market or in reserve. We are talking only about silver that has been reserved for coinage.

Senator HATHAWAY. So you are not in conflict with Mr. Frankland.

Mr. LINDSTROM. No. Not that I know of for the Bicentennial silver dollar proposal. Ideally all of the coinage should be changed for 1 year, and I have been in contact with the mint to find out why they propose to change only one side. This one-side-only change is quite distressing to the people in the numismatic field and elsewhere; that is, that only one side of the Kennedy half-dollar would be changed, and only one side of the Eisenhower dollar, and in my testimony I stated that surely these two Presidents would concede 1 year, actually a year and a half of sales, to change both sides for the Bicentennial, and then to revert to the Kennedy half-dollar and the Eisenhower dollar.

Our idea in this is to provide a special quality coin.

We feel that by changing the coin with a silver surface, just as the surface of the Eisenhower—40 percent silver—dollar, it will be beautiful, it will be befitting and symbolic of the American dollar. The dollar is very traditional in Idaho, where I come from, and I am here for quite a few people, as well as representing the American Mining Congress.

I think we can very well do this. I have talked with the Engelhard people who are rolling the silver-clad material for the Eisenhower silver dollar. It is not only these people that can make the material, but special strip must be ordered for all clad coinage.

The Tri-lay strip, as called by Engelhard, has two outer silver layers 0.0133-inch thick. The whole coin is the same 0.0900-inch thickness as the Ike dollar. It is sandwiched with a core of copper. Instead of a 20-percent silver core, it would have a pure copper core. The mint can roll over the edge and mill it and do a beautiful job. On the first 150 million dollars, our Treasury would make \$48 million *additional* seigniorage profit.

Such profit goes over well with Congress, and of course the cupronickel half-dollar would make something like over \$60 million profit, too.

The least disruption to the mint will be the minting of the dollar, because there are 80 million cupronickel dollars on hand now. They have 40 million in the mint, and 40 million in the Federal Reserve bank,

which they can't get out into circulation. Apparently they have plenty of dollar-minting capacity, according to Mint Director Mary Brooks and her assistant, Frank McDonald.

When Treasury came out with the first bill, which was distressing to me, I asked them, "Why did you propose changing only one side when you had a chance to do two sides and produce double, or four faces showing the events of our Revolutionary War times?" They said that there was a political problem.

They are reluctant to make the change. This is their opinion. To me, it seems strange that we could not forego the bust of President Eisenhower and President Kennedy. And so, with the least disruption at the mint, we have proposed the half-dollar change and the dollar change for that special year, 1976.

If the quarter-dollar can be produced, all the better. No objection. But Mary Brooks pleaded previously, on May 2, before hearings in Congress, that changing only one side of the half-dollar and the dollar was as far as they could go.

Now, they have changed their thinking, which I am glad to hear, and perhaps we will have an even more meaningful Bicentennial with better memorialization on the coinage.

The commemoration on the coinage, I think, will be enhanced by a minting of the quarter-dollar as expressed by Mary Brooks today. If you have any specific questions, I certainly would like to go into it more. It is one of my favorite subjects.

Senator HATHAWAY. Well, I really don't, Mr. Lindstrom. I get from the gist of your testimony you do. We will do whatever we can. I am sure the subcommittee and the full committee is mindful of the fact that we should have some commemorative coins, and it is a question of how expensive it is going to be, and that question will remain open until our markup session at least.

So we thank you again for your testimony, and we appreciate you coming here today.

Mr. LINDSTROM. I would like to add one thing. The American flag shown on this beautiful bicentennial silver dollar booklet cover is the flag that is at the altar of the Georgetown Presbyterian Church. It was taken to the church roof and flown to show the 13 stars. It is a 1780 silk flag. It is a very beautiful thing.

Senator HATHAWAY. Thank you very much.

That concludes the hearings on the various bills before us, and the committee will stand adjourned subject to the call of the Chair.

[Whereupon, at 4:20 p.m. the subcommittee adjourned subject to call of the Chair.]

[Complete statement of Mr. Lindstrom follows:]

STATEMENT OF PHILIP LINDSTROM, INVESTMENT MANAGER, HECLA MINING Co.,  
ON BEHALF OF THE AMERICAN MINING CONGRESS

I appear here to support legislation for special coinage to commemorate the bicentennial as provided for in S. 1928 introduced last week by Senators Frank Church and James A. McClure of Idaho.

I am chairman of the American Mining Congress Silver Committee which is made up of representatives from 15 of the major domestic silver producers. The American Mining Congress is the national trade association composed of U.S. companies that produce most of the nation's metals, coal and industrial and agricultural minerals.

It appears that there is overwhelming concurrence for special bicentennial coinage.

Ideally, all of the coinage should be changed for 1 year as was done by the Canadian Mint for the 1967 Centennial. Our mints are producing nearly 9 billion coins annually and demand may reach 11 billion coins by 1976 according to Mint Director, Mary Brooks, during May 2nd hearings before the House Banking and Currency Subcommittee. Mrs. Brooks pleads that a change of all coins to special coinage will cause a coin shortage because too many will be held as souvenirs. She is probably correct. A shortage of coins for commerce, like that experienced in 1964, should not be tested, knowing the proclivity of our people.

Our Treasury officials have proposed changing only the reverse side of the cupro-nickel dollar and half dollar for the 1½ years period from July 4, 1975 to 1-1-1977. That gives us an idea of what can be done. Even though the two coins will probably not circulate, they should not be expected to do so because it is proper that they be saved as mementos. The dollar and half dollar are the least-used coins and any shortage of these coins can be readily made up by the Mint. In fact, the Mint's production has been so great that probably very few will be minted in 1973 now that there are about 80 million cupro-nickel dollars on hand at the Mint and Federal Reserve Banks.

A great many people are very disappointed with the proposed half-way attempt by our Treasury. Why not go the full way and change both sides of the dollar and half dollar for the Bicentennial year? Surely, Presidents Kennedy and Eisenhower would have gladly given up one year of their presence on the beautiful coins which honor them, if it would give the place to show two more events which will remind us of our nation's birth and growth. I presume that all standard coinage would be resumed for 1977, so that the Kennedy half dollar and Eisenhower dollar would again be minted as they are today.

S. 1928 provides for the minting of 150 million or more cupro-nickel clad half dollars and silver-copper clad dollars with both sides bearing "suitable emblems, devices, and inscriptions in commemoration of the bicentennial of the American Revolution as determined by the Secretary".

These larger coins will better serve the purpose of depicting our nation's early history.

The silver dollar is symbolic and of such tradition that its quality should be shining with the lustre of silver for a nation who's people are proud of its heritage.

By striking the dollar from a rolled strip of the same composition as the Eisenhower 40%-silver dollar except by replacing the 20%-silver core with a pure copper core, the dollar may be sold at a substantial profit through the banking system for its face value of one dollar. If the Congress wants to supply a beautiful silver dollar coin for all of the people, it can readily do so through the above procedure.

The proposed Bicentennial silver dollar would contain .211 troy ounces and monetize silver at \$4.74 per ounce. The current price is about \$2.75 per ounce which would give a seigniorage of about 32¢ per dollar or \$48 million on the first 150 million coins. This is additional profit over what would be made on the minting of base metals coins. The large seigniorage profit comes from the silver which was taken from old coinage which was monetized at \$1.29 and \$1.38 per ounce and by now remonetizing the silver at \$4.74 per ounce.

The seigniorage profit on the first 150 million circulating cupro-nickel half dollar coins might be about \$60 million.

You might ask, why not make the half dollar of silver, too? The Mint has about 45 million ounces of silver. The first 150 million silver dollars would use about 32 million ounces and leave an ample quantity for another 60 million more or a remainder for Eisenhower silver dollars after 1976. The melt-out value of the silver in the 40%-silver Eisenhower dollar now selling at \$3 and \$10 is \$9.48 and \$31.60 per troy ounce, respectively. At this kind of selling price, the Treasury should buy silver in the market at up to two times the current \$2.75 price and still make ample seigniorage profit.

The proposed half dollar is of the same composition as the present half dollar.

The proposed silver dollar would have the same thickness in each of the 3 layers and the same silver content as the Eisenhower 40%-silver dollar in the outer layers, but the whole coin would contain 27% silver and 73% copper. The proposed 27%-silver dollar would weigh .77 troy ounces as compared to the 40%-silver Eisenhower dollar which weighs .79 troy ounces.

Tri-lay strip for the Eisenhower 40%-silver dollar is rolled by Engelhard Industries. Engelhard officials have written that the 150 million or more 27%-silver dollar provision in S. 1928 is attainable.

The argument is made that the use of silver in coinage is wasteful because industry requires silver for industrial purposes. However, no restrictions are placed on the silver used by industry. Over 10 million ounces of silver are used annually for the production of commemorative medals coined by U.S. industry.

If the people want and will pay for beautiful coin of the realm, and the government makes an adequate profit, why shouldn't they be produced?

Furthermore, many other nations have recently commemorated events and leaders. Attached are copies of 7 pages from "Modern Silver Coinage 1969 1970 1971 1972" published this week by the Silver Institute. Please note that the 38.2 million ounces used in 1972 silver currency was largely used by West Germany making great profits for its government even though almost all of Germany's silver is imported.

There is no shortage of silver for essential industrial and military purposes. The only question is the price which the user must pay to buy his silver. Our Mint's use of silver will cause no disturbance in the market price because the silver needed is on hand at the Treasury.

The largest dealer of silver in the United States is the well-known firm of Handy & Harman. In its review of the 1972 Silver Market the firm has some authoritative statements about the above-ground silver inventory. I assure you that they are very substantially on the low side by over 200 million ounces in bullion and not including silver in coinage. However, I doubt that the coinage silver will come into the market in substantial amounts until much of the above-ground silver bullion is consumed. Handy & Harman states:

"This is not to say that there will be a shortage of silver for industrial needs. Speculative and investor stocks and other inventories of silver bullion are still large, even after allowing for substantial reductions over the past two years. The following table summarizes reported stocks of silver bullion, some of which may be more or less permanent reserves, as well as those stocks which are not reported, all at year end except where noted."

	<i>Ounces</i>
New York Commodity Exchange.....	77, 500, 000
Chicago Board of Trade.....	22, 800, 000
London Metal Exchange.....	7, 500, 000
U.S. Industry Stocks (Sept. 30, 1972).....	58, 800, 000
U.S. Defense Department Stocks (Sept. 30, 1972).....	9, 400, 000
Stocks of foreign governments (partial).....	90, 000, 000
Unreported stocks in the United States and abroad (estimated).....	100, 000, 000
<b>Total estimated stocks worldwide.....</b>	<b>366, 000, 000</b>

"But bullion stocks are not the only reserve from which industry can draw in the future. Another major silver reserve is to be found in the old 900 fine United States silver coins. This potential source has remained in the background in market discussions over the past few years because these coins have consistently commanded a premium in the market place over their silver value. Recently the premium has been substantially reduced, and if the trend continues the situation could in time be reversed.

"The silver content of all of these coins which might be considered as theoretically outstanding exceeds two billion ounces, but quite obviously a great many have been forever lost or are in what might be termed permanent hoards. Also another large segment, such as silver dollars and Kennedy half-dollars, will probably always have a numismatic value in excess of silver value.

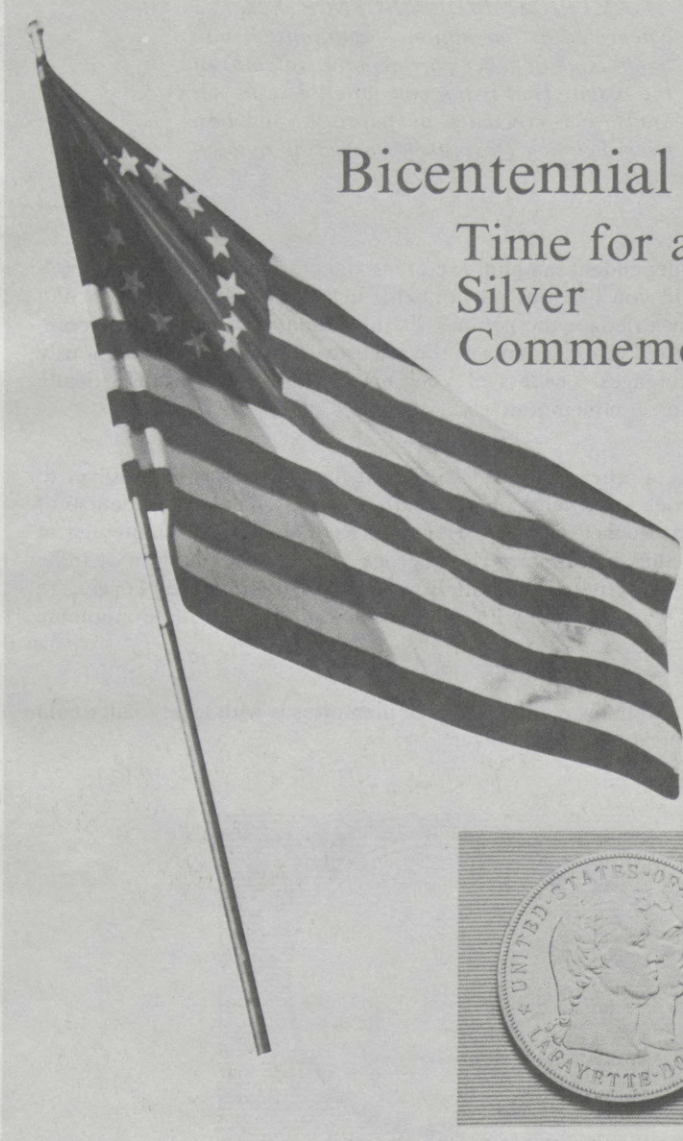
"Nevertheless, some of these coins are susceptible to price inducement and are potentially available to industry. The amount is wholly conjectural, but even if only 10% to 15% of the total theoretical supply ever comes into the industrial market, this will at some point constitute a very significant additional source of silver, and will undoubtedly exert a restraining influence on future price trends."

Attached to this printed statement is a copy of "Bicentennial... Time For A Silver Commemorative". This booklet explains the importance and value of a special coin for the bicentennial year. I hope that you will save the booklet for your children as a bicentennial souvenir.

I have left out some appropriate statements, such as the value of earning foreign exchange by selling the best coinage, because they are included in the attached booklet.

We know that we will be opposed by those who think that the Treasury can do more. However, there is a way to provide great quantities of mementos through the minting of the half dollar.

We silver dollar lovers, traditionalists and appreciators of beautiful coins will be resisted by those who want cheap silver for their own use. Why should such people be allowed to deny our large numbers of people the right to buy a beautiful symbolic memento at their bank?



Bicentennial . . .

Time for a  
Silver  
Commemorative



(81)

*THE TWO HUNDREDTH ANNIVERSARY OF AMERICAN INDEPENDENCE should be celebrated as our national traditions dictate by an issue of silver commemorative coins of the realm. That is the conviction of war veterans and members of patriotic societies, overwhelmingly expressed in recent opinion polls.*

In an independent sampling, veterans and patriots were asked the following: "Would you like our government, in accord with American and world tradition, to honor the nation's 200th birthday by issuing silver commemorative coins?" Descendants of the American Revolution unanimously urged silver coinages. Leaders of veterans organizations enthusiastically supported silver commemoratives.

Millions of other Americans also want Bicentennial coins in silver to honor the heroes and events of 200 years ago that changed the course of western history, such as: Patrick Henry in Richmond, the Minutemen at Concord . . . Bunker Hill, Fort Ticonderoga . . . The Declaration of Independence . . . The Green Mountain Boys, Washington at Valley Forge . . . Mad Anthony Wayne at Stony Point and John Paul Jones in the Bonhomme Richard. . . .

The traditional way to honor such memories is with legal tender coin of the realm in noble metal, silver.



*The Old Belfry, Lexington, on the Lexington-Concord Sesquicentennial silver commemorative coin.*

THE NATIONAL TRADITION HAS  
 BEEN ESTABLISHED TO HONOR OUR PAST IN SILVER.  
 FIFTY TIMES IN THE LAST 80 YEARS,  
 THE UNITED STATES HAS ISSUED SILVER COINS TO  
 CELEBRATE NATIONAL ANNIVERSARIES.

American history is recorded and illustrated in the silver coinage of our country.

Columbus' voyage to America in 1492 is marked by the Columbian silver coin;

Raleigh's "Lost Colony," 1587, is honored in the Roanoke coin;

The landing of the Pilgrims in 1620 is noted in the 1920 silver issue (upper photo);

The founding of the Plymouth Colony in 1621 is recalled in a 1921 silver coin;

The Battles of Lexington and Concord in 1775 are honored in the Patriot silver coinage;

The Declaration of Independence,

Arrival of Lafayette,

Centennial of our Independence,

Sesquicentennial of Independence (lower photo).



These and many more events, heroes and historic sites have been commemorated by the United States in silver.

Additionally, in recent years, our government has commemorated, with coins of 90% pure silver, the anniversaries of 13 states and historic cities.

In 1972, the first year of the Bicentennial celebration, the United States issued as an independence commemorative, not a coin, but a little medallion made of tin and copper in a bronze-type alloy. Now, in 1973, the time obviously has come to issue the first in a series of silver coins worthy of the occasion and of our national tradition.



In the last 5 years, 27 countries have issued silver coins to celebrate their anniversaries of national independence, or the restoration of independence after foreign armed occupation.

GREAT BRITAIN issued a silver dollar-sized coin in 1972 to fete a silver anniversary and CANADA observed its hundredth birthday as a confederation with a silver dollar in 1967. GERMANY celebrated its centennial with a silver coin in 1971. And so did Italy in 1970.

IN EUROPE, during the last 5 years, Norway, The Netherlands and Finland are among the many nations that issued silver commemorative coins that were deeply desired and quickly bought up by the local citizens.

IN ASIA, the Republic of China celebrated its 60th national birthday with an issue in silver and India minted a silver coin in 1972 for its national silver anniversary.

IN SOUTH AMERICA, Brazil and Peru minted silver coins to mark 150 years of independence.

IN AFRICA, Algeria and Guinea are among the several countries which also have followed the world-wide custom of issuing silver coins on independence day.

THE  
INTERNATIONAL TRADITION  
IS TO HONOR  
INDEPENDENCE DAYS WITH  
THE ISSUE OF  
SILVER COMMEMORATIVE COINS



*Photos, top left to bottom: Silver coins commemorating a British royal anniversary, Canada's centennial, the German 100th anniversary and Peru's Sesquicentennial.*

SILVER COMMEMORATIVE COINS  
EARN REVENUES FOR THE GOVERNMENT

Important *additional* income to the government is expectable if the decision is made to issue Bicentennial commemorative coins in silver during the five-year celebration of our independence.

Silver mintages can be big money earners for the government, alleviating the need for taxes and borrowed money and generating foreign exchange. The precedents exist.

From February, 1964, to July, 1965, the U.S. Mint struck 288 million Kennedy commemorative coins in 90% pure silver in honor of the late President. The profits to our country included substantial foreign currency resulting from sales to the vast number of foreign collectors.

Research into the silver commemorative coinages of many nations shows that the procedure of manufacture and distribution most profitable and beneficial to the issuing government involves these essential points:

- 1) A large number of the coins should be minted;
- 2) The coins should be made of silver;
- 3) As an economy, they should be issued through banks like other currency;
- 4) Coins should be available at or close to face value.

Germany followed this procedure in 1972 and sold 5 types of coins, a total of 81 million pieces, or about 8 times as many as the American issue of Eisenhower silver dollars in 1971. The German issues contained silver and were distributed through normal banking channels and coin dealers at close to face value so that they were available to young and old in all income groups.

West Germany's silver coinage profits in 3 years were \$200 million, much of it in foreign exchange.

## THERE IS NO SHORTAGE OF SILVER

The Bicentennial is at a time when the government can earn new revenues without assessing new taxes. At the same time citizens can celebrate and acknowledge the monumental achievements of the founders who created our country.

Happily, the Bicentennial comes at a time when there is  
*An Ample Supply of Silver*  
 according to major analysts of silver supplies.

Statistical studies begun in 1972 show that American refiners now are recovering scrap, recycling it, and producing far more secondary silver than had previously been supposed.

The Silver Users Association commented: "The new data confirms that there is no shortage of industrially needed silver."

Handy & Harman, silver refiners and manufacturers, in their 57th Annual Review of the Silver Market, published in January, 1973, forecast fluctuations in the price of silver, then stated: "This is not to say that there will be a shortage of silver for industrial needs . . . inventories of silver bullion are still large."

Historic Note: Even in crises, silver has been in more ready supply than many base metals. For example during World War II, shortages of some metals caused the United States to make *870 million 5-cent pieces of 35% pure silver*, using 49 million troy ounces of silver in the program, thus conserving nickel and copper.

## THE UNITED STATES MINT HAS THE FACILITIES TO MAKE BICENTENNIAL COINS IN SILVER

The United States Mint has the excellent staff, the manufacturing facilities in 3 cities and the productive capacity to mint and deliver beautifully made silver dollars.

In the calendar year 1972 the Mint manufactured 8,200 million American coins, plus 393 million coins for foreign nations.

The number of 1976 Bicentennial dollars needed would represent only 1% or 2% of the productive capacity of the Mint during the period of the celebration of our independence anniversary.

The dollar is the appropriate denomination for this commemoration because it is symbolic of our currency and is most prestigious.



*Silver strip being rolled at Englehard Industries plant for Kennedy 40% silver commemorative coin.*

## AMERICAN INDUSTRY HAS THE FACILITIES TO PRODUCE SILVER ALLOYS FOR COINS

American refiners can produce enough silver alloy metal to make 150 million Bicentennial silver dollars, says a spokesman for the industry.

"The manufacture and sale of these coins can be so structured as to make a very substantial contribution to offset the expenses of the Bicentennial celebration," he added. "The economics of the situation suggest very strongly that the coins should contain 40% silver manufactured of a tri-layer silver-copper material which presents a surface that is 80% silver—20% copper alloy and has an interior of 80% copper—20% silver. This so-called 'sandwich' material was utilized for the Eisenhower silver dollar Proof (specially polished) coin. This highly esthetic coin is indistinguishable in appearance from one of solid silver."

Thus the coin will have all the dignity and beauty of the noble metal while still being inexpensive enough so all Americans can afford to have one . . .

. . . as a small memento of a great moment.  
. . . "When in the course of human events," a handful of colonial subjects affirmed that, "All men are created equal. . . . Endowed with certain unalienable rights. . . . That among these are Life, Liberty and the Pursuit of Happiness," and they concluded, "That these United Colonies are, and of Right ought to be, Free and Independent States."

REMEMBER?

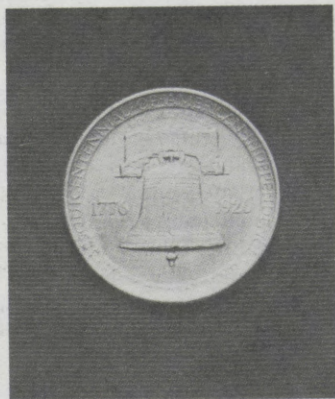
WE SHOULD DO NO LESS.



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Coin photos by Larry Stevens, Falls Church, Va.

# LET FREEDOM RING



MODERN  
SILVER  
COINAGE

1969

1970

1971

1972

89

THE SILVER INSTITUTE, INC.  
1001 CONNECTICUT AVENUE, N.W., WASHINGTON, D.C. 20036 U.S.A.  
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Price \$10.00

## INTRODUCTION

Modern Silver Coinage is published by The Silver Institute, Inc., and provides complete data on all silver coins issued in the years 1969 through 1972. Included are those coin-medals which are, however, legal tender coin of the realm in the country of issue.

Statistics have been verified by the issuing governmental monetary authorities.

Disparities with other reference works may occur and may be attributed to one of the following reasons:

We report coins issued during the calendar year; other sources may report by the fiscal year, by the year of legislative authorization, by the date on the coins, by the date of minting, or according to the date the issue was first publicized.

We carry calculations to the fourth decimal rather than rounding statistics off to the nearest unit.

We cite the size of the issue rather than the size of the minting (in minting, some strikes are imperfect and are never released).

We include numismatic coins (proof or proof-like finish) in our report; some studies do not.

The physical characteristics of the coins are given in millimeters, grams and troy ounces, for which equivalents are shown below.

1 millimeter =	0.03937 inch	1 troy ounce =	31.1 grams	3/103481
1 gram =	0.03215 troy ounce	1 million troy ounces =	31.1 metric tons	31.103481
1 gram =	15.432 grains	1 million troy ounces =	34.3 short tons	
		1 Silver Troy =	29.16666	720000
		1 M.F.I. Troy =	32.150174	

The first two pages of each of the four annual reports for the years 1969 through 1972 provide (a) a Summary for Silver Currency and (b) a Summary for Silver Special Mintages.

Each currency summary reports, for the calendar year of issue, individual country total silver coinages in terms of local currency value; equivalent U.S. dollar value at the official exchange rates, with country and world totals; country and world consumption of pure silver for coinage use; and the U.S. dollar equivalents per troy ounce of silver used.

The pages following the summaries are alphabetically arranged by country; these pages describe in detail every silver issue by each country, including Special Mintages.

## DEFINITIONS

For the purpose of this report, captions and headings used in the following pages are defined thus:

Silver Currency is money which, by law, is redeemable at face value by the issuing government.

Silver Special Mintages are specimens struck in the form of coins, also by law redeemable at face value by the issuing government, but obviously not intended to serve as money; examples are those coins which are of a face value that is less than the intrinsic value of the specimens.

Silver Medals, carrying no redeemable face value, are not included in this compendium.

Total Issue in Local Currency comprises the total face value of all silver currency issued in the year.

Exchange Rate is the value in dollars which the issuing government fixed for a unit of its currency as of the end of the year, regardless of different exchange rates used by others in the case of some currencies.

Amount of Silver Used refers to the amount of pure silver (not alloy) in the year's issues.

U.S.\$ Per Troy Oz. is the U.S. dollar equivalent at the official exchange rates of the face value of the issues, divided by the number of troy ounces of pure silver contained.

\*\*\*\*\*

The preparation of this study has been made possible only by the generous cooperation of mint directors around the world, the governors of central banks, ministers of finance, economists and numismatic experts who have contributed a great deal of time and energy for the realization of Modern Silver Coinage. We gratefully acknowledge their invaluable aid.

The Silver Institute, Inc., Suite 1138, 1001 Connecticut Ave., N.W., Washington, D.C. 20036, U.S.A.

1972

## SUMMARY FOR SILVER CURRENCY

COUNTRY	TOTAL ISSUE IN LOCAL CURRENCY	EXCHANGE RATE DEC. 1972	TOTAL ISSUE IN U.S. DOLLARS	AMOUNT OF SILVER USED IN TROY OZS.	U.S.\$ PER TROY OZ.
ALGERIA	25,011,250 DA	---	\$ 5,499,974	1,447,651	3.80
AUSTRIA	445,000,000 S	0.431	19,179,500	5,799,650	3.31
BAHAMAS	659,029 B\$	1.0400	685,390	230,958	2.97
BRAZIL	5,027,000 NCr	1.609	808,844	131,205	6.16
BULGARIA	1,000,000 L	9.259	92,590	118,640	7.80
CANADA	350,019 \$	1.0055	351,944	131,257	2.68
CZECHOSLOVAKIA	3,700,000 K	1.508	557,960	25,312	23.93
DENMARK	4,029,120 Kr	1.460	588,252	212,455	2.77
ETHIOPIA	35,000 E\$	4.342	14,329	3,925	3.65
FRANCE	4,320,000 F	1.951	842,832	312,509	2.70
GERMAN DEMOCRATIC REPUBLIC	3,000,000 EDM	4.504	1,351,200	76,160	17.74
GERMAN FEDERAL REPUBLIC	655,000,000 DM	3.123	204,556,500	22,553,100	9.07
HUNGARY	4,500,000 F	0.925	416,250	25,457	17.74
INDIA	20,671,500 Re	1.237	2,557,065	747,799	3.42
ISRAEL	1,712,500 IL	2.381	407,746	139,181	2.93
JAMAICA	865,715 J\$	1.1700	1,012,887	138,255	7.33
MACAO	2,500,000 P	1.759	439,750	114,250	3.85
MALTA	279,197 M£	2.5200	703,576	88,589	7.94
MEXICO	50,000,000 P	0.801	4,005,000	1,041,600	3.85
PANAMA	2,132,687 B/	1.0000	2,132,687	432,630	4.93
POLAND	2,500,000 Z	0.453	113,250	18,285	6.19
PORTUGAL	75,000,000 Esc	0.370	2,775,000	564,300	4.92
SAN MARINO	145,348,500 L	0.017	247,092	85,843	2.88
SINGAPORE	833,000 S\$	3.546	295,382	75,420	3.92
REPUBLIC OF SOUTH AFRICA	30,000 R	1.2740	38,220	11,574	3.30
SWEDEN	20,000,000 Kr	2.106	4,212,000	964,400	4.37
THAILAND	10,000,000 B	0.476	476,000	144,680	3.29
TRINIDAD & TOBAGO	555,205 TT\$	4.902	174,121	44,134	3.95
TURKEY	10,000,000 L	0.714	714,000	115,740	6.17
UNITED STATES OF AMERICA	7,225,755 \$	1.0000	7,225,755	2,285,506	3.16
THE VATICAN	62,500,000 L	0.017	106,250	36,913	2.88
WEST AFRICAN STATES	51,675,000 CFA	0.039	201,532	74,763	2.70
TOTAL			\$263,616,188	38,188,141	\$ 6.90

## SUMMARY FOR SILVER SPECIAL MINTAGES

COUNTRY	AMOUNT OF SILVER USED IN TROY OZS.
BERMUDA -----	4,546
CHAD -----	1,283
DOMINICAN REPUBLIC -----	23,178
GIBALTAR -----	16,895
GREAT BRITAIN -----	84,251
GUERNSEY -----	12,615
IRAQ -----	24,915
SOVEREIGN MILITARY ORDER OF MALTA -----	4,204
SEYCHELLES -----	1,115
TOTAL IN SILVER SPECIAL MINTAGES -----	173,002
TOTAL IN SILVER CURRENCY from previous page -----	<u>38,188,141</u>
GRAND TOTAL OF PURE SILVER USED -----	38,361,143 ←

## GERMAN FEDERAL REPUBLIC

ISSUE	DIMENSION IN MILLI- METERS	WEIGHT OF COINS IN GRAMS	PERCENT PURE SILVER	TROY OZ. SILVER PER COIN	NUMBER OF COINS IN ISSUE	TROY OUNCES PURE SILVER IN ISSUE
Struck by: Bayerisches Hauptmünzamt, München Staatliche Münze, Karlsruhe Staatliche Münze, Stuttgart Hamburgische Münze, Hamburg (The four government mints in Munich, Karlsruhe, Stuttgart and Hamburg)						
<u>10 MARKS</u>	Diameter 32.5 Thickness 2.25	15.5	62.5	.3115	10,000,000 (of which 600,000 Proof-like)	3,115,000
<u>10 MARKS</u>	Diameter 32.5 Thickness 2.25	15.5	62.5	.3115	20,000,000 (of which 600,000 Proof-like)	6,230,000
<u>10 MARKS</u>	Diameter 32.5 Thickness 2.25	15.5	62.5	.3115	20,000,000 (of which 600,000 Proof-like)	6,230,000

Continued--

1972

## GERMAN FEDERAL REPUBLIC

ISSUE	DIMENSION IN MILLI- METERS	WEIGHT OF COINS IN GRAMS	PERCENT PURE SILVER	TROY OZ. SILVER PER COIN	NUMBER OF COINS IN ISSUE	TROY OUNCES PURE SILVER IN ISSUE
<u>5 MARKS</u> This commemorates Albrecht Durer, Artist. Designed in 1971, it was released late in 1972.	Diameter 29. Thickness 2.07	11.2	62.5	.2251	8,000,000 (of which 200,000 Proof-like)	1,800,800
<u>5 MARKS</u> This is a circulating coin.	Diameter 29. Thickness 2.07	11.2	62.5	.2251	23,000,000 (of which 32,000 Proof-like)	5,177,300
TOTAL Amount of Silver Used						22,553,100

