THE WESTERN PENNSYLVANIA NUMISMATIC SOCIETY

Mount Lebanon United Methodist Church at 3319 West Liberty Avenue, Pittsburgh PA 15216

Minutes from April 7, 2026

WPNS Vice President Ryan Spak called the meeting to order at 7:32 pm. Eleven members and three guests present.

Minutes from the Previous Meeting

Minutes from the previous meeting were read and approved (motion Krivoniak, second Shiff).

Treasurer's Report

- No report; treasurer absent.

Correspondence: None.

Committee Reports: None.

Announcements:

- The North Hills show in the new Steamfitters Hall in Zelienople was well attended.
- Upcoming coin shows: Castle Shannon, April 12, May 17, June 28; Meadville, April 12; PAN, May 28-30; Greensburg (N. Huntingdon/Circleville), June 14. Larger national shows: Central States, April 22-25; Cincinnati, June 4-6; Early American Coppers, Charlotte NC, April 29; and of course, the ANA here in Pittsburgh, August 24-29.
- The ANA will offer a summer seminar, June 20 to July 2. See the ANA website for details.
- Our Recording Secretary, Stu Strickland, was featured in a Post-Gazette story in the April 5 business section about saving money on gasoline.
- Silver and gold spot prices on the day of the meeting: Gold, $4,846; silver, $76.

Old business:

- The June meeting will be held at the Heinz History Center on June 2. We will use the same updated lunch room we used last year. Ryan will arrange for pizzas. Blaine asked that someone also bring a birthday cake.
- We also decided to devote $125 from our eBay sales to the HHC as payment of dues.

New business:

- The November banquet will tentatively be held at Scolio's in Upper St Clair, same as last year.
- No other items were brought up for a vote.

Presentation – Blaine Shiff, "Interesting Numismatica". His presentation was essentially a fill-in-the-blanks quiz querying us on several topics. Not simple True/False or names-and-dates facts, most questioned *why* something happened, or what happened as a result of X happening in country Y. If we did not know – and for most of the questions, few if any of us in the room had the right answer – he supplied the detailed explanation. Here are a couple of the questions:
* How did the U.S. pay for the Louisiana Purchase?
* When *and why* did banks stop redeeming silver dollars for silver certificates?
* Why did we use silver for war nickels instead of a cheaper metal like zinc?
I have attached Blaine's full quiz and detailed answers on separate pages.

Adjourned at 8:58.

Minutes submitted by Stuart Strickland, Recording Secretary.

Interesting Numismatica
Blaine Shiff
April 7, 2026

Questions only; see next page for full explanations.

- **Why did we use silver for war nickels instead of a cheaper metal like zinc?**
- **Why does a 90% US Silver Dollar have .773toz., and $1 in US 90% silver dimes, quarters, and halves contain only .723toz. of silver?**
- **The US gold to silver price ratio was 16:1 until 1933. What was it in Germany during their time of economic upheaval, and price inflation?**
- **What did other countries do after the US gold confiscation, and revaluation?**
- **When did banks stop redeeming silver silver dollars for silver certificates? (AND WHY?)**
- **When did banks stop redeeming silver granules for silver certificates? June 24, 1968**
- **How did we pay for the Louisianna Purchase?**
- **Why was Andrew Jackson put on the $20 bill when it is widely known that Jackson HATED central banks?**
- **Why did we not mint any quarters or halves in 1931, and far fewer than normal pennies, nickels, and dimes?**

Interesting Numismatica
Blaine Shiff

- **Why did we use silver for war nickels instead of a cheaper metal like zinc?**

To eliminate nickel from the 5-cent piece, the U.S. Mint developed a unique alloy that would still work in vending machines, which tested a coin's weight, magnetism, and electrical resistance.

Component	**Percentage**	**Purpose**
Copper	56%	The primary base metal.
Silver	35%	Provided the correct weight and color.
Manganese	9%	Added to match the electrical/magnetic properties of regular nickels.

- **Why does a 90% US Silver Dollar have .773toz., and $1 in US 90% silver dimes, quarters, and halves contain only .723toz. of silver?**

Key Reasons for the Discrepancy between $1 in silver qtrs & 1 Silver $

- 1853 Coinage Act: To prevent smaller denominations (dimes, quarters, halves) from being melted, Congress reduced their silver content by roughly 6.9%. The silver dollar was not included in this reduction, leaving it with a higher proportional silver value.
- The "0.7734" Standard: A silver dollar (such as the Morgan dollar) was set at 0.7734 troy ounces of pure silver. Four quarters only contained 0.7234 troy ounces, making the dollar more valuable intrinsically.
- Production Efficiencies: It was often cheaper for the U.S. Mint to create one large coin rather than four small ones. This efficiency allowed the Mint to pass on some of that savings as extra silver in the larger coin.
- International Trade: Silver dollars were frequently used for foreign trade, and a higher silver content ensured they were accepted globally.

- **The US gold to silver price ratio was 16:1 until 1933. What was it in Germany during their time of economic upheaval, and price inflation?**

- Early 1923: The ratio remained relatively stable near 16:1, consistent with historical norms.
- Late 1923 (The Peak): In October, gold's value in Germany skyrocketed far beyond silver, pushing the ratio to 160:1.
- End of 1923: By November 30, gold was priced at 87 trillion marks per ounce, while silver was roughly 544 billion marks per ounce, confirming a massive gap.

Why the Ratio Spiked

The extreme surge to 160:1 was unique to the German domestic market and driven by several crisis-specific factors:

- + Portability & Flight: Wealthy Germans scrambled to move assets out of major cities or the country. Gold was favored over silver because it was significantly lighter and easier to conceal.
- + Political Instability: The Communist uprising in Hamburg (October 1923) and the Beer Hall Putsch (November 1923) triggered panic-buying of gold as a ultimate "safe haven".
- + Industrial vs. Monetary Use: While silver retained value, gold became the primary tool for settling large transactions and preserving significant family fortunes during the currency collapse.

+ The ration for the rest of the world was typically around 30:1.

A number of years ago at a PAN Show, I spoke with Beth Deisher (then editor of Coin World) about metals. She said that modern Germans in particular valued owning silver for it's ability to buy daily necessities like food should currency fall out of favor.

- **What did other countries do after the US gold confiscation, and revaluation?**

The 1933 U.S. gold confiscation (Executive Order 6102) accelerated the global abandonment of the gold standard, encouraging other nations to hoard gold reserves rather than circulate gold coinage, while also triggering widespread devaluation of currencies against gold. It intensified global demand for gold as a secure, non-paper asset during the Great Depression.

Bullion Exchanges +1

- Global Devaluation and Gold Hoarding: Following the U.S. move, other countries did not necessarily confiscate gold from their citizens in the same manner, but they increasingly moved toward accumulating gold reserves and devaluing their own currencies to avoid economic damage, often moving away from the gold standard, say Resource World Magazine and The Conversation.
- Contrasting Policies: While the U.S. restricted ownership, in other nations, including Canada, the same type of forced expropriation of personal holdings was not widely enacted, say Resource World Magazine and GoldCore.

End of Private Circulation: The U.S. action removed one of the last major domestic markets for gold coins. This forced other nations to realize that gold would henceforth be an inter-governmental settlement asset rather than a citizen’s currency.

- Shift to "Gold Blocs": While the U.S. confiscated gold, several European nations (the "Gold Bloc," including France, Belgium, and Switzerland) initially doubled down, refusing to devalue or seize gold until 1935–1936.
- Accumulation of Reserves: As the U.S. criminalized private ownership, other central banks responded by aggressively accumulating gold reserves to protect their own currencies, which boosted global demand.
- International Capital Flight: Massive amounts of American gold coins were illegally exported or hidden abroad (particularly to Canada and Europe) to avoid the 1933 order.

- **When did banks stop redeeming silver silver dollars for silver certificates? (AND WHY?)**

March, 1964, and the US Mint stopped printing SC's in 1964. It was stopped because we couldn't afford it. We started increasing the US money supply (ie printing money) to pay for the Vietnam War, and then the Great Society. Increasing the money supply dramatically dilutes the value of each existing dollar. Thus we could no longer afford to give a silver silver dollar in exchange for a “paper” silver certificate dollar.

- **When did banks stop redeeming silver granules for silver certificates? June 24, 1968**

- **How did we pay for the Louisianna Purchase?**

The United States paid for the $15 million Louisiana Purchase (80 million francs) in 1803 through a combination of assumed debt cancellation, US government bonds financed by European banks, and a small amount of gold to facilitate the initial payment. The deal, which doubled the size of the US, was financed by British and Dutch banks, specifically Barings and Hope & Co..

Reddit +2

Breakdown of the Payment:

- Total Cost: $15 million (approximately 80 million francs).
- Assumed Debt: The US assumed $3.75 million (20 million francs) of debt that France owed to U.S. citizens.
- Bond Financing: The remaining $11.25 million (60 million francs) was paid using U.S. government bonds, which carried a 6% interest rate and were bought by European banking houses, primarily

Final Costs: While the initial price was $15 million, with interest and other costs, the total cost to the United States by the time of final repayment in 1823 was approximately $27,267,622.

- **Why was Andrew Jackson put on the $20 bill when it is widely known that Jackson HATED central banks?**

Andrew Jackson has been featured on the $20 bill since 1928, primarily honoring him as a "champion of the common man," a hero of the War of 1812, and a founder of the Democratic Party. Despite his opposition to paper money and central banking, his image solidified during a period when he was viewed as a strong defender of democratic ideals.
Wikipedia +4

- **Why did we not mint any quarters or halves in 1931, and far fewer than normal pennies, nickels, and dimes?**

The Great Depression