

## Mexican Coins of Early Virginia by Tom Kays

We often have heard that Mexican coins disappeared from circulation in the United States in 1857. The Philadelphia Mint's gradual reductions in coin size and increased production of Seated Liberty silver in the years prior to 1857 finally caught up to the growing nation's demand for small change.



When the Philadelphia Mint issued small sized cents it spelled the end of old and worn foreign coins altogether. Mint sewn bags of the popular "Flying Eagle" pennies were eagerly redeemed by citizens in exchange for old and worn out foreign "sharp" silver.

Primarily Mexican "Portrait" style silver pieces of eight, "ocho reales", and their parts of 4, 2, 1 and 1/2 reales known as "Picayunes" and 1/4 reale "Quartillos" went to the melting pot. Some modern "Cap and Ray" reales minted only 30 or fewer years ago went to the melting pot too. A small percentage of older "Pillar" style reales dating back to the 1730s, and perhaps a few ancient "Cobs" known as "old plate" that had long since disappeared from casual commerce over 50 years before were pulled out of socks, fruit jars and piggy banks headed to pot as well.



Coins of other nations such as Peru, Bolivia and Spain added to the smelters stew in 1857 due to the official demonitization of all foreign coins for United States debts public and private. The farther from Philadelphia a specie holder lived back in 1857, the more likely that some of their Mexican coins escaped the melting pot. For decades afterward, Mexican coins were treated as bullion and traded at a discount as seen in this coin dealer's caution to sellers at the turn of the twentieth century from *The Rare Coin Encyclopedia*, Copyright 1901 by Wm. Von Bergen, Boston, Massachusetts.

"COIN DEALERS BUY ALL KINDS OF COINS, YET THEY DO NOT PAY A PREMIUM ON EVERY OLD OR CURIOUS COIN. IT IS A MISTAKE TO PRESUME THAT BECAUSE A COIN IS OLD OR BECAUSE YOU HAVE NEVER SEEN ANOTHER LIKE IT, THAT IT MUST BE A RARE COIN. THERE ARE THOUSANDS OF VERY RARE COINS, YET A STILL LARGER AMOUNT ARE NOT RARE."

"COINS  
NOT  
WANTED"



"THIS APPLIES ESPECIALLY TO THE SPANISH SILVER COINS, WHICH PASSED CURRENT HERE PREVIOUS TO THE ESTABLISHMENT OF THE U.S. MINT. THEY HAVE ON THE OBVERSE THE BUST OF EITHER CAROLUS III, CAROLUS IIII, OR FERDINAND VII, AND ON THE REVERSE THE COAT OF ARMS OF SPAIN, SURMOUNTED BY A CROWN AND THE INSCRIPTION HISPAN.ET.IND.REX. ALL SUCH COINS ARE GOOD ONLY FOR OLD SILVER."



Mexican copper coins never circulated widely in early America. Early Spanish copper "maravedis", English copper half pennies and farthings both regal and counterfeit, States coinage and then US half cents and cents continuously filled the need for small change. Copper was generally good only for small sums of a shilling or less.

Mexican gold escudos, pistoles, and doubloons were not for casual circulation, but remained under guard in bank vaults or in the holds of ships for bank-to-bank and country-to-country transactions.



Gold fueled international payments for manufactured goods that could not be made in America so that gold flowed out from early Virginia's seaports as fast as it came in. Very little gold made it into the interior or out to the Blue Ridge frontier. Good to very good condition Mexican "host" coins often dating back to the 1770s were commonly counterstamped during the economic hard times of 1837 through the 1850s with advertising by merchants in New York and many North Eastern States. Hundreds of varieties of merchant counterstamps exist on host Mexican coins that can be compared alongside U.S. host coins of the same period. *The Standard Catalog of United States Tokens 1700 – 1900* by Russell Rulau, published by Krause Publications of Iola, Wisconsin, 1994 captures a snapshot of the circulating Mexican coinage under the counterstamps quite well.



One counterstamped coin dug in Virginia at Malvern Hill, a very good condition 1763 Pillar 2 reale of Mexico has the enigmatic stamp "HP" in 3/8" block letters. Prior to reductions in size of U.S. coins starting during

the Jacksonian era, heavyweight American-made coins kept disappearing overseas leaving lighter-weight foreign coins in their place.



At the War of 1812 more than 50% of the circulating small change in the Republic were of foreign manufacture. Slightly greater than 50% of all foreign coins circulating in 1812 were from Mexico. Typical of this time is a 1788 Mexico 2 Reales, in better than fine condition, found at Bristow Station, Virginia next to an Extra Fine, U.S 1809 Bust Half Dollar.

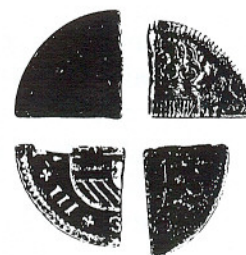


By the War of 1812 the old-time practice of cutting coins to make change had stopped. Mexican coins were routinely cut with shears, chisel or axe into pieces to make change back in the days before banks were readily handy for much of the population. Most cut coins were melted soon after the turn of the Nineteenth Century. Typical of these "sharp-shins" are two pie-shaped, 8 reales of Carolus III cut to 2 reales each, both in Very Fine condition with crenellated edges along the cut sides that were found in the water at a colonial landing at Yorktown. One of these cut coins, the upper right quarter shows only "nose" on the obverse.

Samuel Mordecai reminisces in *Richmond in By-Gone Days*, written in 1860 and reprinted in the Virginia Numismatic Association Newsletter, about the difficulties of banking when he was a boy back before 1800. He writes "A quarter of a dollar would be radiated



and subdivided into six parts, or a pistareen into five parts, each one of which, called a "half bit", passed for threepence; but it was strange, that these several parts formed a sort of Chinese puzzle, and less possible to solve, for you could never put the five or six parts together so as fully to cover a similar coin entire. The deficiency went for seignorage to the clipper, and from him to the silver-smith."

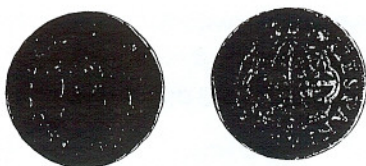


The Virginia Colony resisted issuing of inflation-prone paper money longer than the other colonies until forced to borrow to pay for the French and Indian War. Prior to the French and Indian War, Spanish and South American silver provided the circulating medium in Virginia. After barter, silver coin was the preferred hard currency medium for small change in Virginia. Mexican coins first appeared in moderate quantities at the French & Indian War although the majority of Pillar style half reales of Ferdinand VI that are often found in pre-Rev War sites are from Peru or Bolivia rather than Mexico.

A 1733 Mexican half reale cob of Philip V was found at a colonial house site west of Richmond along the James River. It is an unusual find of a scarce one-year monogram type from a time when the Mexico City Mint began to do away with hand-struck cobs.



Since the Edict of 1592 all metal mined in the Spanish controlled, New World was taxed by the Spanish crown. Heavyweight Mexican cobs were to be lightened of the "King's Fifth". The King collected his tax by trading "reales for reales"; each Mexican reale, worth 12 ½ cents, simply traded at par for the light Spanish reale that had just 10 cents worth of silver.



For two hundred years treasure fleets toting tons of bullion formed into cobs and bars at Mexico City, Potosi, Bolivia, and Lima, Peru set sail for Spain. Shipments that missed sinking in hurricanes, being plundered by pirates and privateers, and that didn't wind up "off-the-manifest", tucked under the floorboards of the Captain's cabin, were recoined at the Spanish mints of Seville, and Madrid.

Before the Spanish mint consolidation of 1730, additional branch mints at Segovia and Cuenca also melted Mexican cobs. They formed their metal into thin sheets and used waterwheel-powered, roller dies to squeeze out pistareens. A majority of the old Mexican cobs sailed the Atlantic eastward to be reborn as new plate Spanish coin and some sailed back west to be spent and lost in Virginia before the Revolution.



By the end of the Revolution, silver coins of the Spanish mainland (made of New World silver), the "Pistareens" and their parts, that had been the primary small change in Colonial Virginia since the 1720s began to disappear. After fifty years of hard circulation the Pistareens eventually were eclipsed by the "Pillar and Portrait" style trade coins of Mexico. Mexican coins became prevalent in the New World only after the Territory of Louisiana became a Spanish holding in 1763. The Spanish Crown needed to



fund the operation of "Luisiana" and Spain's other northern colonies including Texas, California and Florida. Most Mexican coins found in America came through the Spanish port of New Orleans. For example, a massive shipment 450,000 Mexican pieces of eight, dated 1783, were lost in 1784 enroute from Vera Cruz to New Orleans on the Brigantine "El Cazador". After the Louisiana Purchase in 1804, southern families established during the Spanish domination continued to save and spend Mexican silver with confidence. Mexican coins are commonly found in Federal Seminole War era camps in Northern Florida. Louisiana and Texas circulated Mexican and South America reales well into the Civil War with Southern States troops using and losing well-worn colonial silver around camp fires and early hut sites in Virginia.



Extra fine condition, Mexican half reales with the inverted mint mark and mint master initials (FM) of 1772 and 1773 are have been found in Virginia, as well as high grade 1780, 1781, and 1782 dated coins.

One particular hoard that missed the melting pot, a motley collection of seven one reale coins was found in Fairfax Station, Virginia along with several Civil War era gold coins in a small cast iron Dutch Oven. Fairfax Station is on the outskirts of the extensive bivouac cities built in the woods to house thousands of troops at the Battle of the First Manassas. These thin one reale coins, lost circa 1862, show extensive wear from over 3/4 century or more of hard use. All had dark splotches of tarnished silver and traces of red iron oxide rust from long contact with the oven. In "Good" condition were one reale coins from Mexico dated 1774, 1775, 1780, 1816. In fair condition was a Pillar style reale of Philip V from 1738 or 39, (last date digit round, yet too fuzzy to make out), a poor condition dateless Carolus III Portrait style reale, and lastly a poor, dateless Lima, Peru reale of Carolus III.



One of the earliest Mexican coins found in Virginia is a late style, "Pillar and Wave" one reale with a hole in it, minted circa 1550 under the reign of King Carolus and Queen Johanna known as "Johanna the Mad". It was found along with a 1748 one reale cob from Lima Peru in the foundations of an old Gloucester, Virginia farmhouse. These thin, medieval hammered coins enjoyed three centuries of circulation since they are sometimes found with Central American Republic counterstamps of the 1840s. They circulated heavily along the Royal Road used in portage across the Isthmus of Panama, from Atlantic to Pacific before the canal.



In summary, English, South American and Spanish coins outnumber by far the numbers of Mexican coins in early Virginia before the American Revolution. Mexican coins begin to show up in large numbers at about the time of settlement of the Revolutionary War debt. Mexican coins circulated heavily in early America for eighty years from 1780 to 1860.