

# COINS, THE OVERLOOKED KEYS TO HISTORY

*A delightful new book argues that numismatics—the study of coins—is the “beautiful science of civilizations.”*

**By Casey Cep**

July 28, 2021



*Americans throw away sixty million dollars' worth of coins every year, vacuuming them up or dropping them into trash bins with lint and straw wrappers. Illustration by Aless Mc*

**L**oose change was scarce last year. Retail and restaurant industries collected less cash from customers, so had fewer coins to deposit with their banks, while limited hours and new safety protocols at mints around the country slowed coin production. Some coin-based transactions evolved right away: cashless tipping became more common, even more toll booths were converted to pay-by-plate systems, and plenty of places began rounding up or down to simplify payment. But it wasn't enough. Only a few months into the pandemic, cafés were putting up signs begging customers for change, laundromat owners were crossing state lines to buy quarters, banks were offering rewards for clients who surrendered their coins, and the Federal Reserve formed the U.S. Coin Task Force to address the crisis.

Even though the Fed was, and still is, rationing coins, the agency insists that the country is facing a circulation problem, not a shortage: like so many Americans over the past year, American coins have simply stayed home. Plenty of coins exist—some forty-eight billion dollars' worth—they just aren't moving around the economy the way they should. Instead, they're sitting in jars and hiding under couch cushions, inadvertently hoarded by millions of American households.

Coin hoards are nothing new, but the celebrated varieties, the sunken pirate's treasure chronicled by magazines like *Coin World* and *COINage* or the ancient burial mounds documented by outlets like *CoinWeek*, are a far cry from what most of us keep in our sock drawers. The historian Frank L. Holt calls these everyday collections of coins "nuisance hoards," one of the many delightful things I learned from his new book, "When Money Talks," a volume more charming than its mundane subtitle, "A History of Coins and Numismatics," might suggest. A professor at the University of Houston, Holt teaches courses on Greek and Roman history, Alexander the Great, and numismatics—the field which he believes is the key to many others.

**A**ccording to Holt, the average American household has around sixty-eight dollars' worth of coins in their nuisance jars. Collectively they throw away another sixty million dollars' worth every year, vacuuming them up or dropping them into trash bins with lint and straw

wrappers. But we do cash in some of our change, including, on average, forty-one billion coins a year to Coinstar counting machines alone. Many banks no longer convert change for customers unless it arrives wrapped and counted, but, since 1991, seventeen thousand or so Coinstar kiosks have proliferated in grocery stores around the country, and they now convert some three billion dollars annually, sorting coins from debris for a fee of roughly twelve per cent, spitting out a voucher that customers trade in for cash or gift cards.

Of course, this year and last year weren't most years, and what economists call the velocity—the rate at which coins move through the economy—slowed dramatically. Fewer people were visiting grocery stores at all, much less to exchange their coins, and, in the early days of the pandemic, when the route of coronavirus transmission was less known and cash came to seem like a contagion, consumers went out of their way to avoid using bills and coins. This is the basis for the Fed's insistence that enough coinage exists, if we could just get it moving again.

Cash transactions are typically coin-intensive. Being prepared to make change for any purchase that isn't rounded to whole dollars requires a minimum of ten coins: one nickel, two dimes, three quarters, and four pennies. Pennies have the highest velocity, since eighty per cent of all transactions less than a dollar require at least one of them. But they also have what is known in the financial world as a negative seigniorage, meaning that they're worth less than what they cost to produce: every one-cent coin costs nearly two cents to mint. Even in non-pandemic years, pennies cost more than they are worth, and they also impose a time tax on every transaction: single-cent pricing costs customers and retailers approximately seven hundred and thirty million dollars a year in wages and lost productivity.

Pennies put the nuisance in nuisance hoard, and, when they make headlines these days, it's often for that reason: an angry father dumped eighty thousand of them on his ex-wife's lawn for his last child-support payment; an aggrieved business owner paid his local taxes with five wheelbarrows full of them; a disgruntled garage owner upended ninety thousand of them on a former employee's driveway in lieu of a final paycheck. In response to all of the expense and headaches that small coins can cause, Australia and Canada both eliminated their pennies; in America, the effort to do so has been championed by the fictional cast of "The West Wing" and documented at length by the directors Jamie Kovach and Zach Edick in their film "Heads-

## Up: Will We Stop Making Cents?"

Such a move would be far from unprecedented. Our coinage seems stable and fixed today, but, in previous decades and centuries, Americans spent half-cent coppers and three-cent nickels, half-dimes and two-cents, not to mention “eagles,” which came in two-and-a-half-dollar, five-dollar, ten-dollar, and twenty-dollar denominations. Holt, who managed to write a biography of Alexander the Great almost entirely on the basis of a few ancient coin-like medallions honoring his military might, argues that coins offer a rare, robust record of linguistic, artistic, and political change. Whereas other aspects of material culture are often mute about their meaning or disappear over time, coins have proved remarkably enduring, surviving for millennia for the very reason that they were created: the inherent strength of their source materials, like bronze and copper and silver and gold.

**A**lmost every civilization has had some form of currency, but coins first proliferated nearly three thousand years ago among the Lydians, in what is today modern Turkey. Called croesids, in honor of the Lydian king Croesus, these early coins were quickly copied by the Greeks, who found them easier to exchange than land, cattle, or any of the other commodities of the ancient world. Everyday objects had long served the same purpose, but coins were more durable than the cowrie shells of Africa and more portable than the fei stones of Micronesia, although less delicious than the cocoa seeds of Central America. Parallel money systems took shape in Asia around the same time as in Lydia, with decorative karshapana circulating in stamped and unstamped forms in ancient India and coins that were not round but ornately shaped to resemble knives and farming implements changing hands in China. The earliest incarnations did not display the year or the denomination; instead, their value was understood through material or convention—*nomos*—and their study, first described by Herodotus, became known as *nomismata*.

Not everyone was a fan, though. The civilizational slope has been slippery for much longer than most of us realize, and, long before the advent of smartphones or typewriters or railroads, the Roman denarius was considered a threat to the social order. In “Antigone,” Sophocles depicts King Creon battling not only his niece but also numismatists, calling coins the worst

invention of all time and claiming that currency “lays cities low . . . drives men from their homes . . . trains and warps honest souls till they set themselves to works of shame . . . and to know every godless deed.” Part of the proper burial that Antigone sought for her brother involved placing an obol in his mouth so that he could pay Charon’s ferry toll into the underworld; inflation and imagination turned this into the common misunderstanding that the dead need two coins, one on each eye. The early Greeks also sometimes carried small coins in their mouths while alive, before there were change purses and pockets. But others objected to carrying coins at all. Pliny the Elder hated how coinage had displaced the agrarian tradition of trading livestock and hides and slaves, writing in his “Natural History” that the minting of the first denarius was a “crime committed against the welfare of mankind.”

Many mintings later, the denarius was still suspect. Jesus handled them, and he or his disciples mention them in all four of the Gospels, mostly to warn their followers against greed, and sometimes to make other theological arguments. Prince of Peace, Lamb of God, Light of the World—to those monikers Holt adds “the numismatist from Nazareth.” And, although I have read a great deal of Biblical exegesis, I can’t say that I had ever heard anyone describe the “render unto Caesar” teaching as a “famous numismatic lecture on the relationship between coins and state sovereignty.” That’s accurate enough, although I was less convinced by Holt’s claim that Jesus would be better known as a coin expert if the translators of the King James Bible hadn’t substituted their own currency for that of the ancient world, replacing the Roman as and quadran with the British farthing and making that distinctive denarius into a penny.

**B**ut coins go by many names, and “coin” itself is not the oldest word for them. It came to us from the French *coing*, for the die used to stamp metal with the words or images that communicated the meaning of coins, but they were already known as money, in honor of the goddess Juno Moneta, in whose temple the Romans ran their first mint. These sorts of etymologies, religious allusions, and literary references fill the pages of “When Money Talks,” which variously dramatizes a numismatics class, investigates the ethical dilemmas of coin collecting and historical study, narrates nearly a whole chapter from a coin’s point of view, and collects virtually every poem, story, and novel in which coins have ever been essential to the plot. In keeping with the book as a whole, it is both bizarre and charming to watch Holt

populate a category of literature that unites texts as disparate as Orhan Pamuk's "My Name Is Red," Edgar Allan Poe's "The Gold-Bug," George Eliot's "Silas Marner," and Robert Louis Stevenson's "Treasure Island."

"I did not go into history for the money," Holt confides. "I went into money for the history." Only a university professor or your favorite uncle could get away with that joke, and Holt's tone falls somewhere between the two, managing to cram into a few hundred pages a career's worth of puns and coin comedy, everything from "Johnny's Cash" to "Cents and Sensibility." Take this one paragraph, a meditation on all the ironies of how we talk about money:

If you make it in your business, you are commended; if you make it in your basement, you are arrested. We call it bread, cabbage, clams, bacon, biscuits, cheddar, gravy, and dough, but almost none of it could be mistaken for food. Broke means you have no money; broker means you probably do. You can use money to do your laundry, but you'd better not launder your money. Your bottom dollar puts you in the poorhouse, but a pretty penny buys you a mansion. You can use money to grease someone's palm or to pay through the nose, so why would you ever put it where your mouth is?

Why indeed, except, of course, that we use language the same way we use coins: both figuratively and literally, as designed and for our own purposes. Holt knows that, which is why, if you forgive him his professorial exuberance, "When Money Talks" is a genuinely fascinating book, full of ideas as well as facts: why we need money, how it has evolved, what forms it might take in the future. It is a general book by a genuine specialist, and it offers up expertise alongside a survey of his field and its history. Marching through the centuries from the croesid to today's cryptocurrencies, Holt takes us from the thirty-three thousand coins found in the ashy ruins at Pompeii to the thirteen tons of gold and more than thirty million ounces of silver that were recovered from the remains of vaults beneath the World Trade Center after 9/11, along the way looking at a variety of global economic systems and delighting in all the routes a coin can take from mine to mint to market to museum.

Although Holt acknowledges the evolution of currency across the ages, he dismisses the idea that we are on the verge of a cashless economy, something predicted for decades now, since long before the arrival of Bitcoin, Bytecoin, Dogecoin, SwiftCoin, or any other blockchain

currency. Such names, and talk of “mining” digital coins or “coining” computer code, are part of why Holt is convinced that there will always be a parallel physical-money system: such language is meant to reassure investors that dematerialized currency is safe and reliable even while approximately twenty per cent of all the bitcoin in existence—somewhere around a hundred and forty billion dollars’ worth—are lost or locked in abandoned wallets, and more than a hundred thousand users of Canada’s largest cryptocurrency exchange, QuadrigaCX, lost all their holdings when the exchange’s founder, Gerald Cotton, died without passing along the password to their assets.

But, even if Holt is wrong and all coinage eventually ends up in museums, he suggests that coin studies will always be relevant. His book ends with a preview of an interdisciplinary field that he calls cognitive numismatics, a theoretical approach to the study of history that uses material artifacts to try to reconstruct how people thought about money in the past. Eventually, as he points out, those people will include us. Holt imagines a time in which coins are protected objects in a cashless society, and an even more distant future in which aliens will study our quarters and pennies to try to understand our extinct society, trying to make sense of who we were through numismatics, the “beautiful science of civilizations here and beyond.”



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