

\$\$\$"Caveat Emptor"\$\$\$

"Gresham's Law"

4-20

"When two sorts of coin are current (in circulation) in the same nation, of like VALUE by DENOMINATION, but NOT INTRINSICALLY, that which has the LEAST VALUE will be CURRENT (spent in trade & commerce) and the OTHER, AS MUCH AS POSSIBLE, WILL BE HOARDED."

from "The New International Dictionary", Noah Webster, page 950, 1920 edition.

The truth of the above observation, made by Sir Thomas Gresham in 1559, lies in the FACT as to what happened in this nation in 1965 when the Federal Government removed the silver content from our COINS and replaced it with a cupro-nickel alloy. Gradually the silver content coins began to disappear from the retail market places and soon there was nothing but CUPRO-NICKEL COINS to be given as change. The reason why the silver coins "vanished" from circulation lies in the fact that some of the people realized that the SILVER COINS had a GREATER VALUE than the CUPRO-NICKEL COINS and that they could "sell" these SILVER COINS to DEALERS in PRECIOUS METALS for the SILVER CONTENT and get a PROFIT of 4 to 5 times above the FACE VALUE of the COIN. The extreme example of the "profit" from selling SILVER COINS comes from that point in time when the price of SILVER rose to \$48.00 per ounce. ONE SILVER DOLLAR WAS THEN "WORTH" \$37.12! This is WHY you see NO SILVER COINS TODAY. This is "Gresham's Law" at work, "BAD MONEY DRIVING OUT THE GOOD"! Recently the SILVER PRICE was \$5.50, the SILVER DOLLAR VALUE was \$4.25.

But have no doubts or fears for our economic destiny is safely in the hands of Political & Financial "Cromwells", hard at work serving your best interests.

"Anybody want to buy a bridge"?

J. Gordon Lott  
Apprentice American