

Mexico City, Mexico, 8 reales, Charles-Joanna, "Early Series," assayer R (Rincón), extremely important "first dollar of the New World," three known, NGC XF 45 (Auction #16, lot #404)



This coin is the very root of the concept of the American dollar. Minted in 1538, under the joint Spanish reign of Charles I and his mother Joanna, at the recently created Mexico City mint, which was housed at the private residence of Hernan Cortes himself, this coin is widely acknowledged as the first dollar-sized coin struck in the New World. It is one of only three specimens known to exist, all of them found in the early 1990s on the so-called "Golden Fleece" shipwreck sunk ca. 1550. Prior to that find the 8 reales were considered conjectural: They were known to have been made, but only for a short time and in very small numbers around two years after the mint opened in 1536, based on testimony in the investigation in 1545 by Francisco Tello de Sandoval¹, as follows:

- (1) During the first day of testimony (May 27), assayer Juan Gutiérrez stated that he "heard that 8 reales were minted but stopped because they were very defective and were not circulating." He also said that in the six years that he had been there (i.e., since at least 1539), no 3 reales had been made, which is significant because the same decree that authorized 8 reales called for the end of 3-reales production.
- (2) On the sixth day (June 5), die-sinker Francisco del Rincón (who was at the mint when the 8 reales were made, not to be confused with the assayer of the same name, who was his cousin) testified that "when the king's decree called for 4 and 8 reales to be minted and 3 reales to be discontinued, those orders were followed." He also stated that the 8's were too much work for the cost involved.
- (3) The most significant piece of testimony, on the ninth day (June 9), came from coiner and foreman Alonso Ponce, who was at the mint from the beginning and stated that for

¹ Archivo General de Indias, 48-2-20/2.

“a certain season” (*temporada*)² they minted 8 reales but ceased production “because they were difficult to make and engrave and this had generated a lot of discord” and that they were “**not produced for many days.**”

It is clear from this testimony that 8 reales were made only briefly, after the 3 reales were discontinued, but before Rincón left office (since the assayer-mark on the coins is R). We know that Rincón worked as assayer at least until 1538, but after that date it is believed that Pedro de Espina (assayer P) held the post from 1539 to 1541. Since the 1537 royal decree permitting 8 reales and 4 reales in place of 3 reales probably arrived at the mint in the spring of 1538, that is the year in which the 8 reales were believed to have been struck, for no more than a “season” (a few months at most). Of utmost importance is that the 8 reales were made in very small numbers, for a very limited time, and they did not circulate. One even wonders if the three from the shipwreck were samples going back to Spain.

Two of the three coins found on the shipwreck have been sold at auction already, in 2006 and 2008, before it was known with certainty that only three existed. Those coins sold in the range of \$300,000-\$400,000, one of them corroded and deemed inferior, and the better specimen held down in price by false suspicions of further examples. This is the first time the third specimen has been offered publicly, and we expect it to find a permanent home now in a top-tier collection.

The design of this 8 reales (as well as its companions in the lower denominations) is highly symbolic and artistic, yet simple in principle. The obverse (where the legend begins) features a crowned shield housing castles and lions in its quadrants, representing Castile and Leon, with a pomegranate for Granada at the bottom, flanked by Gothic-M mintmarks for Mexico inside a legend (wording around the edge) that shows the name of the king and his mother, Charles and Joanna. The reverse of the coin bears the Pillars of Hercules with a banner that shows the word PLVS, meaning “more” (in reference to the ancient motto of NE PLVS VLTRA [“no more beyond”] at the entrance to the Mediterranean), with a distinctive small cross at top to represent the denomination³ and initial R for the assayer Francisco del Rincón (the person responsible for the coin’s fineness and quality) at bottom, all inside a continuation of the legend stating the rulers’ territories. The weight of the coin is a full 27.11 grams, reflecting a total lack of the corrosive loss that normally typifies shipwreck silver coins. Like all hand-struck coins (for machine-struck coins did not begin in the colonies till the early 1700s), this piece is not quite round and bears areas of uneven or even doubled strike⁴, but is richly toned and has bold

² A “season” in this case was probably just that—either spring or summer or fall or winter, but no more than a few months in any case.

³ No one knows why this cross was chosen to represent the denomination, although it is interesting to note that this type of cross is sometimes known as a “cruz de ocho puntas” (cross of eight points), therefore possibly representing the number 8 for natives and others who may not necessarily have understood Latin numerals, along the lines of dots and bars used in the other denominations, the exception being the number 4 for 4 reales, although the four points of that numeral may explain why that one number was deemed acceptable.

⁴ In fact, all three known specimens show double-striking, evidence of the difficulty the mint staff testified to in the 1545 investigation (Tello de Sandoval).

eye appeal. But it is the boldness and clarity of the small-cross denomination, along with the same quality of the assayer-mark R, that makes this piece so desirable among the three known.

In addition to being the first “dollar” of the New World, this issue may also bear the distinction of being the first such coin of all the realms of Spain, whose tradition of striking 8 reales spanned more than 300 years, from the early 1500s till the mid-1800s. Mainland Spain’s first 8-reales issue was a series of coins struck in the names of Ferdinand and Isabel (Joanna’s parents) posthumously under Charles and Joanna. It is not known when this striking occurred, but it could have been after 1538, when the Mexican 8 reales were made. Significantly, in the documentation authorizing the Mexican mint to strike 8 reales, there is no reference to current coins being made in Spain. Also, note that the Mexican coins of Charles and Joanna were the first coins to announce the “Indies” as a Spanish possession, signifying the end of the Middle Ages and the beginning of the era of American ascendance.

Most important is the fact that this Mexican “first American dollar” is not represented in any public numismatic museums anywhere, particularly the Casa de Moneda and Banco de Mexico in Mexico City, and the Casa de Moneda and the Museo Arqueológico de España in Madrid. This piece is missing in even the largest, most globally encompassing museums, like the Smithsonian or British Museum, which must adhere to the principle of including the world’s historically most important coins, of which this coin sits undeniably among the top ten.

So what is this coin really worth? For comparison, the record for a US-mint dollar is just over \$10 million, a price set at auction in 2013 for the finest of over 100 known examples of the 1794 “flowing hair” dollar, the first date of the first series struck in the United States. Spanish colonial coins, particularly from Mexico, were legal tender in the US till 1857, however, and therefore we can say that the first “dollar” of Mexico is technically the first such coin of the United States as well. It is widely acknowledged in any case that the 1794 dollar was exactly modeled after the Spanish colonial 8 reales in weight and fineness.

Whatever the ultimate hammer price in this auction now, only three people or institutions, at most, can own a specimen of this highly important coin, and opportunities like this are as rare as the coins themselves.

Estimate: \$500,000-up.