

# Paper Money Issued in Russia During World War One 1915-1918

By Michael M. Byckoff

## I. Romanoff Jubilee Postage Stamps Used as Currency

During World War I Russia, as other European Countries, experienced a shortage of exchange coins in circulation. In Russia the need to increase the amount of subsidiary coins in circulation was evident before the war. The government in 1913 decreed an increased output of mint silver coins from 8,675 thousand rubles to 14,950 thousand rubles; in 1914 1,420 thousand rubles copper coins were added; in 1915, 37,500 thousand rubles silver and 1,631 thousand rubles copper coins were pumped into the economy. Due to panic spread by action of the agents of the German General Staff, as the war took its course, people began hoarding coins; as a result, by midsummer of 1915, coins completely disappeared from circulation in many large cities, and in many towns they were scarce. To cope with this situation the government decided to issue paper substitutes for metallic coins. Because a need for an exchange media was urgent, it decided to use the Romanoff Jubilee postage stamp cliches for printing currency stamps. The pending issue of these stamps was announced in a Decree of the Ministry of Finance, dated September 25, (October 7) 1915. The Decree is as follows:

The Ministry of Finance, considering the inconvenience caused to the public by the shortage of subsidiary coinage and the impossibility of the Mint immediately providing the necessary supply of coins, has in accordance with special decision of the Council of Ministers dated September 25/October 7, 1915, and pending the preparation by the Mint of sufficient coins, ordered the issue of small-change stamps, in accordance with following principles:—

- (1) Small-change stamps shall circulate on the same basis as token silver and copper coins.
- (2) Their design will be that of the Romanoff Jubilee postage stamps.
- (3) They shall be legal tender between private individuals to the amount of three rubles for each transaction. They will be accepted by government departments and public institutions to any amount, except in payment of custom duties, for which purpose they shall be subject to the limitations imposed on acceptance of token silver and copper coinage.
- (4) Small-change stamps shall not be accepted if the design of them is indistinguishable, or if the portion of the stamp remaining is less than  $\frac{3}{4}$  of the whole.
- (5) On the issue of a sufficient supply of small coinage, the stamps will be withdrawn.
- (6) This order shall come into force immediately after its receipt by telegraph.

As soon as the order was received, local branches of the State Bank and Post Offices posted it on their billboards and local newspapers where they existed printed it on front pages.

Postage stamps of 10, 15 and 20 kopeks denominations were typographed (letterpress) on thin cardboard (0-10-0-15 mm. mean 0.127 mm. in thickness). On the reverse of the stamps was the inscription "IMEET KHOZH-DENIE NARA VNE S RAZMENNOIY SEREBRENNOIY MONETOIY"—"Having circulation on par with silver subsidiary coin" and surmounted by the imperial eagle; all of this was in a rectangular, double-lined frame. The currency stamps were issued in sheets of 100 and perforated  $13\frac{1}{2}$ . They were distributed by the state Treasury direct to the branches of the state and private banks all over Russia and appeared in circulation after November 1, 1915.

Designated only to supplement the then circulating silver coins, the currency stamps completely displaced the coins within a few weeks. The financial success of this measure was more than satisfactory, and the order was given to prepare the issue of 1, 2 and 3 kopeks currency stamps of the same Romanoff Jubilee design of 1913. These denominations were issued in June 1916 only; the cause of delay will be discussed later. The inscription on the back of the stamps reads "IMEET KHOZH-DENIE NARA VNE S MEDNOIY MONETOIY"—"Having circulation on par with copper coin." The imperial eagle and denomination appeared in bold type above the inscription, and a rectangular, single-lined frame surrounded all of this.

All currency stamps were printed in the same color as the corresponding values of postage stamps, but in a slightly darker and duller shade, evidently to help postal clerks recognize them on sight if they were affixed to a cover as postage; such usage of currency stamps was expressly forbidden by the authorities. Soon after the lower denominations appeared in circulation, evidence appeared of the fraudulent tampering with the green 2 kop. stamp to make it look like the olive-green 20 kop., and with the orange 1 kop. to make it pass for the red-brown 15 kop. Thereupon these two values were withdrawn from circulation to be surcharged on the face with large black numerals "1" or "2." The currency stamps with those surcharges were not put into circulation until after the revolution.

The Provisional Government soon exhausted the supply of these currency stamps and on September 21, 1917 ordered a new issue of all three values. The first two values have large black numerals on the face, as before, and the 3 kop., also as before, was issued without the numeral on the face. The reverse surcharge was changed drastically; the field, formed by a thick, single-lined frame, was divided in half by a horizontal line, and as a bow to the revolutionary spirit of the time, the imperial eagle was omitted and large numerals of value "1," "2" and "3" were inserted with the word "kopeyka" for "1" or "kopeyki" for "2" and "3" under them. The same inscription as before was printed in the lower half, but a

## THE CURRENCY STAMPS OF 1915-1917

1st issue, October 1915.



Romanoff Jubilee Postage Stamps of 10, 15 and 20 kopeks  
inscribed on back:—"HAVING CIRCULATION ON PAR WITH SILVER  
SUBSIDIARY COIN."

2nd issue, June 1916.



Inscription on back:—"HAVING CIRCULATION  
ON PAR WITH COPPER COIN."

The second issue reissued with large  
numerals "1" or "2", printed on face  
of 1 kop. and 2 kop. currency stamp.

3rd issue, September 1917.



The Imperial Eagle dropped out of  
inscription and instead large numerals incerted.

change was made in the setting of it. Issued only a month before the fall of the Provisional Government, this issue did not have a chance to be distributed throughout the country and be used as exchange money. Therefore, in some circles of Soviet numismatists this particular issue is regarded as a scarce one because of its short period of circulation, but all catalogues made make no differential pricing.

The Romanoff Jubilee postage stamps were designed by Richard Zarrinisch, E. Lansere and J. Bilibin; the cliches were engraved by F. Lundin and J. Ksidias of St. Petersburg and Ferdinand Schirnböck of Vienna—all of them artists and engravers whose names were renowned all over Europe. Their creations were highly acclaimed in philatelic literature at the time.

When the Romanoff Jubilee currency stamps appeared on the market in 1915, 1916 and 1917, all of them were listed in almost all the then-existing stamp catalogues and are still listed in *Scott's Standard Postage Stamp Catalogue*. On page 1099 (1970 edition), the first issue of 10, 15 and 20 kop. are listed as Nos. 105, 106 and 107 respectively; the second issue without the surcharge on the face (1, 2, and 3 kop.) are Nos. 114, 115 and 116; those surcharged with numerals on the face are Nos. 112 and 113; and the third revolutionary issue of 1917 are Nos. 139, 140 and 141.

From January 2, 1913, the Romanoff Jubilee postage stamps had been in circulation and used as postage; people all over Russia were used to them and were familiar with the images on them, recognizing their

present or past "Tzar-Gosudars" (popular people's expression when speaking of the emperors). Therefore, the appearance of these stamps as a currency did not create "suspicion," "skepticism" and, what is more, "refusal to accept it in payment of wages and goods," as some American "specialists" in Russian currency tried to convince their colleagues. They forgot that it was wartime and that the disobedience to the law (see above the quotation of the Decree of the Council of Ministers paragraphs (3) and (6) in wartime was subject to a court martial and punishable by shooting in 24 hours. The chronicles of this time did not register a single such case. Now and then the propaganda section of the international Communist Party resorted to a line or two of propaganda about alleged disobedience, as in the "Outline History of U.S.S.R." written in foreign languages for foreign readers.

(To be continued)

## The Cia.de Real del Monte Y Pachuca Notes for The Bank of Montreal

By Maurice M. Gould

In June of 1966, on a visit to the International Coin Show in Los Angeles, I looked through a dealer's stock of Mexican paper money. I noticed a few pieces with a large heading "Bank of Montreal" on them and never having seen them before, I purchased them.

I tried to get information about these notes, but most collectors and dealers had not seen or heard of them. I then started a correspondence with the Bank of Montreal and have come up with the following information on these interesting notes issued during the early 1900's.

During this period there was a great deal of political unrest in Mexico and revolutions; huge areas were under the control of various individuals who issued their own currency. In most cases this currency was of little or no value.

It is important to note that the Bank of Montreal did not issue notes in Mexico, but that the bills referred to were drawings by the Cia.de Real del Monte Y Pachuca, which was a well established company in Pachuca. This company had an arrangement with the Bank of Montreal whereby the company would issue bearer drafts drawn on its branch in Mexico City. These drafts were the only "currency" accepted in Pachuca and the surrounding area for some years. It was due to the stability of these two important institutions that these bills circulated as "money" in Pachuca.

The obverse of the bill has the number, date, "Pachuca," "Bank of Montreal," "Mexico", "Please pay 1 peso of Mexican currency at legal exchange rate." It is signed by the Director. The reverse had the following printed in Spanish: "This check will be paid on sight, upon presentation, at the Bank of Montreal in the City of Mexico, or at the offices of the Compania de Real del Monte Y Pachuca, providing that the amount of the presented cheques will be of 50 pesos or multiples of this quantity, as the payment in the form of cheques is being

### REFERENCE

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made in view of the extreme shortage of bills of small denominations." Also, "Pachuca, Feb. 24, 1915, the Head administrator of the Revenue of ..... (various) in accordance with the article 246 of the corresponding law puts on record that the duty which corresponds to this cheque will be collected in cash according to certificate #68 which contains the Series 'A' of 201, 001 to 60,000; 'C' of 1 to 6,000; 'D' of 1 to 3,000 being the holder of this cheque, obliged to present to the Cia.de Real del Monte y Pachuca within the date (various) counting from the date in order the corresponding stamp should be placed according to article 247. Head Administrator, Mariano Garcia."

All of the notes which I have seen to date are in 1 peso or \$1 denomination and are dated either 1914 or 1915. Both \$5 and \$10 notes are listed in the Mexican paper money catalogs, but neither the museums nor the Bank of Montreal has specimens in these values.

Some reverses have Mexican stamps on them, including blocks of four; these were probably used as revenue stamps. The actual size of the notes I have is 5½" x 2¾", and are dated early February 1915 to March 1915; some are in black ink and some in red ink. The reverses vary.

The Bank of Montreal no longer has any recorded information on these notes in their archives. The information was obtained from officers who served in the Bank in Mexico in the 1920's. Thanks are due to Mr. J. Carroll, Assistant Secretary of the Bank of Montreal for his assistance.

It is hoped that more information will come to light from other paper money collectors and specialists.

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