

Book Reports

March – April 2014 Volume 11, Issue 1



STAMPS DELIVER KNOWLEDGE

Postage Stamps as Currency

Dr. Satyendra K. Agrawal

[Editor's note: I have always had an interest in the intersection of stamps, coins and paper money. Across the globe, the chief commonality for this unusual usage of stamps is most often the economic effects of war. In the process of researching a story on the subject for this newsletter, I came across a very extensive article, published in Rainbow Stamp News, a philatelic blog out of India. Rather than trying to duplicate this effort, I approached the author who was kind enough to permit "Book Reports" to reprint his article.]



On many occasions in India, while paying a bill, we receive toffee in return for our balance of one rupee or less, due to the shopkeeper's lack of small coins. But the shopkeeper himself never prefers to accept a handful of toffees as a means of payment against our bill.

Political or economic upheavals have sometimes made it necessary for people to use postage stamps (rather than toffee) in place of coins. They are a readily available substitute, printed in a variety of denominations. This has happened in many countries at different times, and makes the use of such "money-stamps" of interest not only to philatelists and numismatists, but also to historians.

In both World War I and World War II the British government declared postage stamps legal tender, but the stamps were never encased for special protection or affixed to a special card.

We can classify "money-stamps" in two categories:

- Stamps stuck on paper or cardboard, inserted or not into a translucent envelope, and
- Metal-encased postage stamps, with the stamp being inserted into a metal capsule (copper, brass, aluminum, and iron) and covered with a transparent film, in mica for the greater part.

Also in this issue –

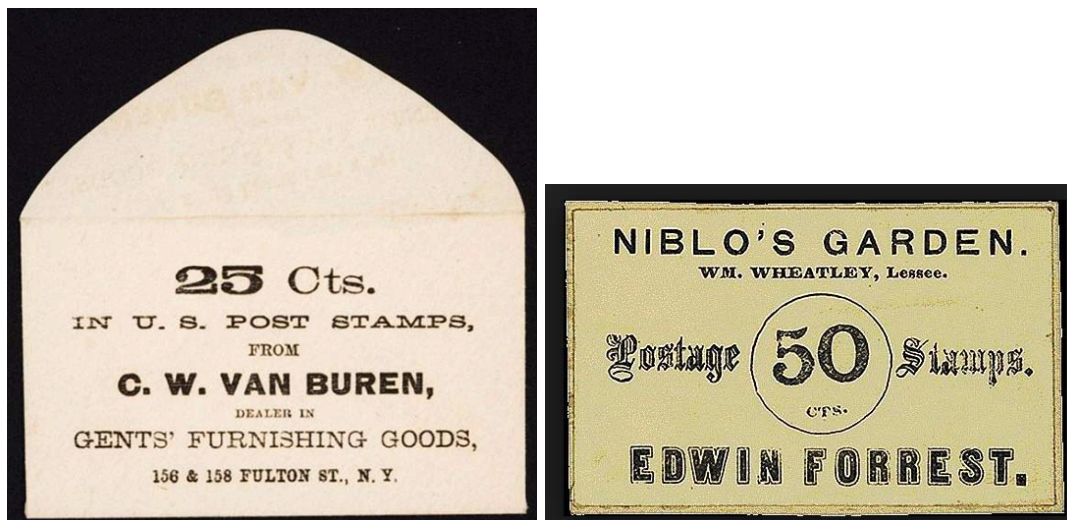
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First use of postage stamps as currency

The first use of stamps as money occurred during the American Civil War when people predicted the hard times and shortages looming ahead and began hoarding resources, coins included. Many millions of dollars in gold and silver coins and even copper-nickel cents disappeared from circulation as a result. A resourceful public then used postage stamps as currency for small obligations, a situation that forced shopkeepers to accept stamps as change. On July 17, 1862, Congress stepped into the fray and passed a law, which stated that postage stamps could pay government debts of less than \$5.

Daily purchases of stamps increased five-fold in New York City alone, and individual stamps circulated until they became too dirty and tattered for recognition. The stamps were ill suited for this task. They were thin and easily damaged or destroyed by handling, and the glue on their backs encouraged them to stick to hands, wallets, and anything else with which they came in contact.

The earliest attempted solution to the “sticky stamp” problem was to incorporate the use of apothecary envelopes, 70 by 35 mm in size. These envelopes, and others quickly prepared by merchants, soon became Postage Stamp Envelopes, which carried a specified value in postage stamps inside. The envelopes usually had the denomination and the name of the sponsoring merchant on the outside.



Postage stamps glued on cards were also used as currency. However, these methods failed to provide a workable solution.



The U.S. Post Office Department was having a very difficult time accommodating the redemption of circulated postage stamps. It was reported that one day two employees of a New York railway company brought a bag of \$8,400 worth of sticky, circulated postage stamps to their local post office for redemption.

This untenable situation forced the Treasury to create “postage currency” on bank note paper using facsimiles of new 5¢ and 10¢ stamps with portraits of Thomas Jefferson and George Washington; 25¢ and 50¢ notes were prepared by overlapping five of these stamp images. These notes bore the inscription “Receivable for all U.S. stamps” and were issued from Aug. 21, 1862 to May 27, 1863. The notes were valid for postage and although they were not actually legal tender banknotes, they were exchangeable for U.S. currency in lots of not less than \$5.



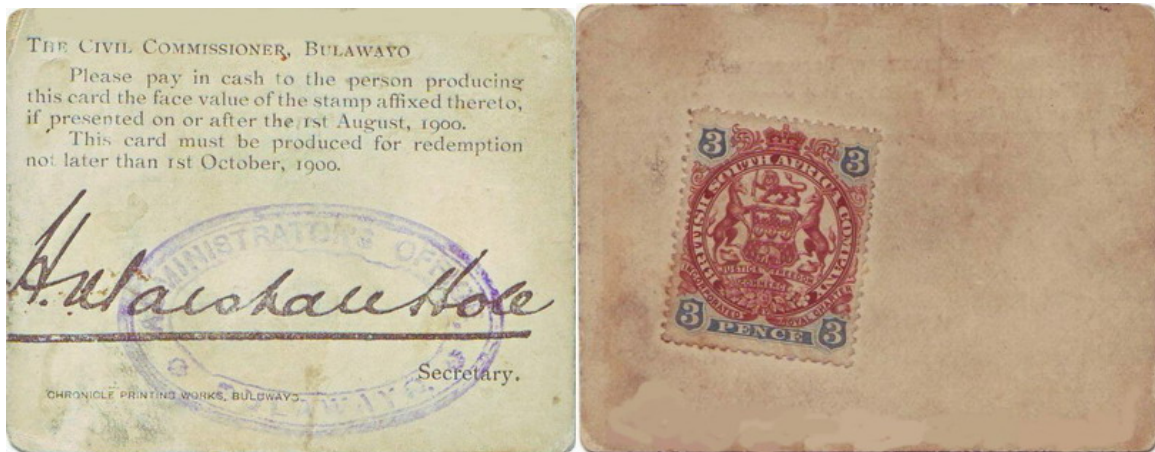
In the first months of production notes were perforated like stamps for convenient separation and distribution, but the perforating machines could not keep up with demand and the manufacturers (National Bank Note and American Bank Note companies) discontinued perforation and began to print full sheets that had to be cut manually with scissors.



Ultimately, a more manageable solution for pocket change was devised by Boston businessman John Gault, which will be illustrated at a later date.

Foreign stamps used as money abroad

During the Second Boer War, Rhodesia used stamps issued by The British South Africa Company, affixing them to cards bearing the statement, “Please pay in cash to the person producing this card the face value of the stamp affixed thereto, if presented on or after the August 1, 1900, with signature of the Civil Commissioner Hugh Marshall Hole.



Madagascar glued and varnished stamps on cardboard, and used them as currency during 1903-17.



Taiwan's "Tokubetsu Yubin Kite Daishi" (translated: "special postage stamp cards") also fall in this category of stamp money on which Japanese stamps of denomination and value (sen) were used in 1917-18, when Taiwan was a colony of Japan.



During World War I, like other countries lacking small change, Austria had traders prepare preprinted card with Turkish tobacco advertisement with a stamp inserted on the card.



Russia (1915-17) and the Ukraine instead printed stamps of the Romanov eagle on stout cards and circulated in lieu of coins with text reminding citizens that the specimen had to be accepted like the coins of silver or copper. With the advent of the Soviets, the imperial eagle was replaced by a numerical value.



Currency cards with stamps affixed and overprinted were issued by the Ivory Coast during 1920.



In 1938, during the Spanish Civil War of 1936-9, the Spanish government printed small discs of brown cardboard with the Spanish coat of arms on one side. Banks gave out the discs to people who wanted them. Attaching a stamp on the back of the disc created the desired value. These also circulated in the Spanish colonies, including Tangier and Morocco.



In 1944, Italy issued stamps on cards, including advertising on the reverse. The same year Denmark also pasted stamps on cardboard cut to size, with the back printed with advertising messages, but wrapped in cellophane bags.



Also during World War II Ceylon and the Indian state of Bundi issued small change in the form of cards printed with contemporary stamps. Bundi printed 3 pies and 1 Anna tokens, consisting of cards reproducing the current stamps overprinted 'CASH COUPON BUNDI STATE'.



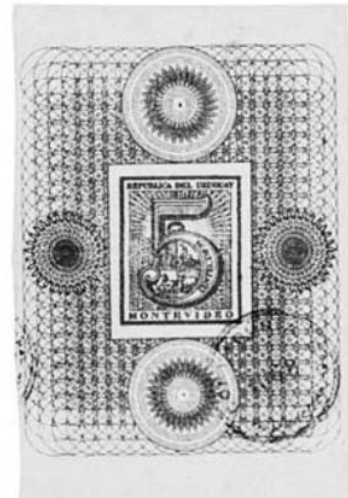
Next issue: Postage Stamps as Coins

Dr. Satyendra Kumar Agrawal has earned several trophies and medals at national and international levels including Gold for his exhibit on "ROSES." He has authored five books: "My Rainbow of Philatelic Articles," "The Rose (A-Z of Rose Philately)," "Glimpses of Indian Mythologies in Philately," "Evolution of Playing Cards," and "History of Indian Miniature Paintings through Philately."

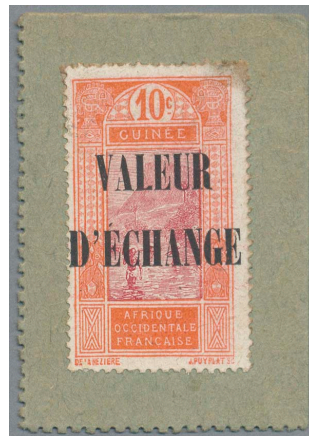
Addendum:

An article posted on the website www.thecurrencycollector.com describes several other examples of stamp money, along with more detailed descriptions of some listed above. These additional examples warrant inclusion here. As the Currency Collector article also points out, stamp money exists using revenue stamps and other adhesives, but for the purposes of our article we have limited it to postage stamps.

In 1868, the Republic of Uruguay issued 1 and 5 centesimo notes (issue of 1866) known as Emergency Postal Scrip. This issue was based on the example of U.S. postage currency.



In addition to the Madagascar and Ivory Coast examples cited earlier, other French colonies issued stamp money in small denominations. These included French Guinea and New Caledonia.



Following World War I, German merchants put out hundreds of varieties of currency cards with either stamps affixed or inserted. Printed glassine envelopes containing stamps were also common. Nearly all advertised the shops or services of the issuing business. While these were not strictly legal, the authorities did not intervene, and would have found it impossible to enforce the law in any case. Almost immediately these cards became collectibles and vendors frequently received requests for them – though cards were often sent to collectors without the stamps.



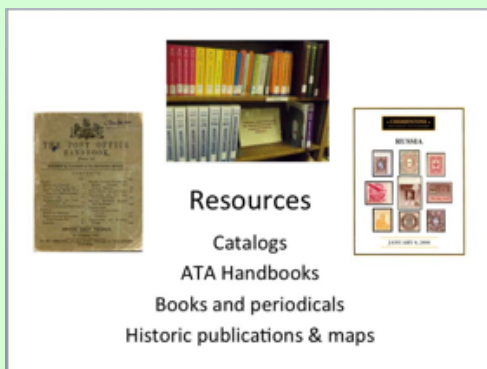


In response to a shortage of coins during WWII, the Government of Ceylon issued an emergency note in June 1942, which depicts 2- and 3-cent postage stamps. In case of necessity it was permitted to cut the note into two pieces valued at two and three cents, respectively.



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Would your organization like a presentation?



Members of the Northwest Philatelic Library regularly travel to locations throughout the region for shows and other activities. The library has created a PowerPoint presentation that explains how members and non-members can benefit from our literature and resources. If you would like someone to bring this short presentation to your philatelic group or other association, please contact Orlie Trier at 503-867-4764.

New on our Shelves

The following resources have been added to our collection:

Catalogs

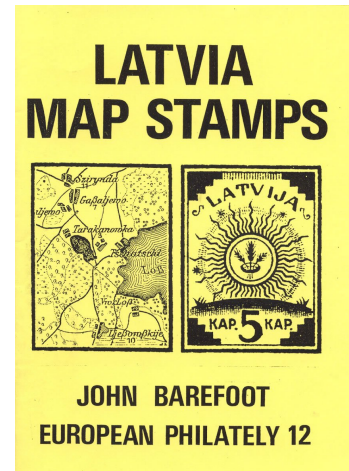
Barefoot, John, **Latvia Map Stamps**, J. Barefoot, Ltd., York, England, 1987

Gibbons, Stanley, **Catalogue of Commonwealth Varieties**, Stanley Gibbons Publications, London, 1981

Kimble, Ralph A., **Stamp Collector's Atlas and Dictionary**, Rand McNally, Chicago, 1934

Korean Postage Stamp Catalog, Korean Philatelic Corp., Seoul, Korea, 1990

Maxwell, **China Stamp Society Specialized Catalog of China to 1949**, The China Stamp Society, USA, 2011



Schweizerisches, **Luftpost-Handbuch, Ausgabe 2000**, Multipress Verlag, Reinach, 2000

Standard Catalogue of Malaysia-Singapore-Brunei Stamps & Postal Stationery, 1992, International Stamp and Coin, Kuala Lumpur, Malaysia, 1992

Stevens, Clark H., **United States Postal Card Catalog**, United Postal Stationery Society, 25th ed., Van Dahl Publications, Albany, OR, 1970

Stoneham Great Britain Stamp Catalogue, 12th ed., Sarem Publications, Salisbury, Wiltshire, U.K.

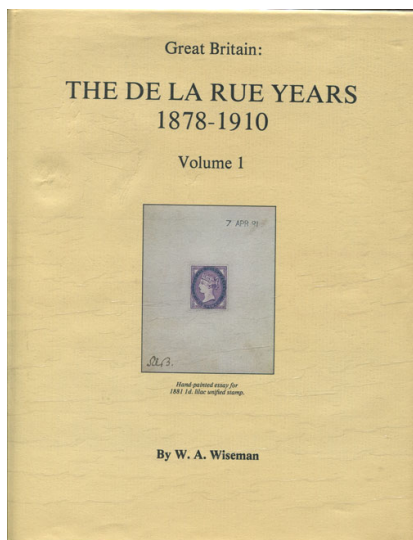


Zumstein, **Schweiz Liechtenstein**, Berne, Switzerland, 1994

Books

Amick, George, **Jenny!**, Amos Press, Sidney, 1986

Bileski, Kasimir, **The First Philatelist?**, [1st printing] Winnipeg, Canada, 1973



Encyclopaedia of British Empire Postage Stamps, 1775-1950, Vol. III, The Empire in Asia, Robson Lowe, Ltd., London, 1951

Encyclopaedia of British Empire Postage Stamps, 1639-1952, Vol. VI, The Leeward Islands, Robson Lowe Ltd., London, 1951

Wiseman, W.A., **Great Britain: the De La Rue Years 1878-1910, Vol. 1**, Bridger & Kay, London, 1984 [Hardcover]

Zinsmeister, **Souvenir Sheets of the World, Vol. 2: Issues through 1950**, [S.P.A. #7], Society of Philatelic Americans, Verona, NJ., 1956

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COME SEE US AT PIPEX!

The Northwest Philatelic Library will staff a table at the PIPEX show, May 9-11 at the Red Lion Hotel on the River, Jantzen Beach. Along with answering questions and providing information about what the library has to offer, we will also be selling a large assortment of surplus books and literature – including a \$1 box. Be sure to drop by and see what bargains you can find!

The library will also be represented on the exhibit floor with an eclectic frame of one-page presentations on a host of topics. More details on each topic can be found in our collection.

For show information and a complete schedule of events visit the PIPEX website at www.pipexshow.org.



Stumper of the Month

This month's stumper is found on a rather nondescript 1881 cover from Haverhill, Mass. to Washington, DC. It's franked with Scott #207, but what makes this cover unusual is the “carrier” back stamp, with a time of 7 p.m. – well after business hours. Carrier markings show up not infrequently on mail delivered in many major cities, particularly DC, Boston, and Chicago. They are often found in blue, red or purple ink, nearly always on the back of envelopes. Carrier markings appear as early as the 1860s and were most prevalent in the 1880s, though examples exist into the 1890s.

The stumper question: What did this marking indicate and why did it begin to disappear around the mid-1880s?

Please submit your answer by email to nwpl@qwestoffice.net.



Library Notes

Orlie Trier, NPL President

Global Philatelic Library

Check out the Global Philatelic Library website at www.globalphilateliclilbrary.org. The American Philatelic Research Library made it possible for our resources to be accessed through global library. At present there are 22 libraries from around the world including Norway, Germany, Australia, the United Kingdom, as well as all the U.S. libraries connected with APRL. We now have access to over a million sources of information. Need some background on a stamp or philatelic topic? There are worldwide resources at your fingertips.

PIPEX exhibit

The annual PIPEX show is coming up fast. NPL is putting in a one-frame exhibit demonstrating aspects of library research. We expect to have 16 one-page contributions from library members. This frame will not be judged. We've invited anyone who has used NPL to assist them with your collections to submit a page telling about it. The results should be quite interesting!

Want to be a stamp dealer?

Mark Rickard from Beaverton Coin and Stamps is looking for someone who would be interested in setting up a stamp business in his facility. He is often asked about selling and buying stamps, but knows very little. If interested please contact Mark at 503-686-1303.

In Appreciation

To the individuals listed below who have made recent donations of literature and other considerations to NPL, we thank you for your generosity. We want to assure you that we will make good use of these resources for our fellow philatelist and collectors.

Charles Neyhart	Darlene Lengacher	John Blakemore
Phyllis Redman	Ralph Nafziger	Robert Delker
George Steuble	Rance Curtis	Jerry Johnson
Joe Crosby	Winhard Bohme	Mia Keenan

THANK YOU all for your support!

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